STATE OF GEORGIA

OFFICE OF THE GOVERNOR

ATLANTA 30334-0090

Brian P. Kemp

GOVERNOR

October 9, 2020

The Honorable Alex M. Azar II, Secretary
U.S. Department of Health and Human Services

The Honorable Steven T. Mnuchin, Secretary
U.S. Department of the Treasury

Ms. Seema Verma, Administrator
Centers for Medicare & Medicaid Services

Dear Secretary Azar, Secretary Mnuchin, and Administrator Verma:

The State of Georgia submitted its modified 1332 Waiver Application to the U.S. Department of Health and Human Services and U.S. Department of Treasury on July 31, 2020 seeking approval to establish a Reinsurance Program and transition the State's individual market from the Federally Facilitated Exchange (FFE) to the Georgia Access Model for Plan Year (PY) 2022 through PY 2026.

The Georgia General Assembly authorized this waiver application with the passage of the Patients First Act, which I signed into law on March 27, 2019. Under the 1332 Waiver, the State will be implementing innovative solutions targeted at addressing current healthcare challenges in Georgia in order to improve cost, quality, and access for its residents.

The federal comment period for the waiver concluded on September 23, 2020. Many comments received during both the state and federal comment periods are supportive of the Reinsurance Program and of the proposed modifications made to the Georgia Access Model design. Some commenters expressed concerns or raised questions about the implementation and operations of the Georgia Access Model. Based upon the comments and questions received, the State has provided further detail and clarification within the waiver application. I appreciate the comments, understand the concerns, and recognize

the criticality of ensuring the public, current marketplace consumers, and stakeholders across Georgia's healthcare landscape are adequately informed and engaged to facilitate the successful implementation of the Georgia Access Model.

In response to the comments and questions received during the federal comment period, the State has included Appendix I outlining additional details in the following areas:

- Transition from the FFE to Georgia Access
- Impacts on Medicaid Eligible Consumers
- Impact of Short-Term Limited Duration Insurance
- Support for Consumers

In addition, some comments raised concerns about transitioning Georgia' individual market to a new model during a national pandemic. In response to these concerns, the State is shifting the implementation date of the Georgia Access Model by one year to PY 2023. This will have no impact on the Reinsurance Program timeline; the State plans to still implement the Reinsurance Program beginning in PY 2022.

As demonstrated in the attached comprehensive analysis, Georgia's waiver application continues to adhere to the statutory guardrails established by Section 1332; there is no impact of these clarifications and responses to comments.

Thank you for your consideration.

Sincerely,

Brian P. Kemp
Governor

Ryan Loke
Special Projects, Office of the Governor

cc:
Mr. Randy Pate, Deputy Administrator & Director, CCIIO
Gen. John K. King, Commissioner, Georgia Office of Insurance and Fire Safety Commissioner
Shantrina Roberts, Associate Regional Administrator, CMS Atlanta Regional Office

Georgia Section 1332 State Empowerment and Relief Waiver Application

July 31, 2020

The Office of the Governor

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Executive Summary

The State of Georgia submits this State Relief and Empowerment 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 (HHS) seeking approval to implement a two-part approach to address the growing healthcare access and affordability challenges facing many residents across the State. The first part seeks to implement a Reinsurance Program starting in Plan Year (PY) 2022. The second part seeks to transition the State's individual market to the Georgia Access Model also starting in PY 2023. This Section 1332 Waiver application is designed to reduce premiums, increase coverage, and promote a more competitive private insurance marketplace with the introduction of a state reinsurance program and the Georgia Access Model for PYs 2022 – 2026.

Current Landscape

In 2013, Georgia began participating on the Federally Facilitated Exchange (FFE), HealthCare.gov, operated by CMS as mandated by the Patient Protection and Affordable Care Act (PPACA). Since the inception of PPACA, the individual market in the State has failed to stabilize. Between 2016 and 2019, total enrollment on the FFE in Georgia declined 22.0%, with over 129,000 consumers leaving the marketplace.[1] Approximately 94,000 Georgians left the marketplace from 2016 to 2017, corresponding with the end of the federal reinsurance program. An additional 13,000 left the marketplace from 2017 to 2018 and 22,000 left from 2018 to 2019. As it is operating today in the State, the individual market is not able to provide accessible and affordable coverage to all residents. According to the latest U.S. Census Bureau American Community Survey (ACS) five-year estimates, Georgia has one of the highest uninsured rates in the country at 14.8%, leaving approximately 1.4 million people uninsured across the State.[2] Over half of the uninsured fall between 100% – 400% of the Federal Poverty Level (FPL) and are currently eligible for federal subsidies. The high uninsured rate is attributed to a variety of factors including high premiums and out of pocket expenses and low carrier participation in the individual market.

Table 1: Georgia's Estimated Uninsured Population by Age and FPL[2]

FPL	Under 19	19-64	65+	Total
Below 100%	66,117	408,381	3,619	**478,117**
100% - 137%	28,470	158,704	1,405	**188,579**
138% - 199%	38,257	222,074	2,210	**262,541**
200% - 399%	50,154	333,915	3,374	**387,443**
Over 400%	17,607	135,897	1,656	**155,160**
Total	**200,605**	**1,258,971**	**12,264**	**1,471,840**

[1] CMS Marketplace Reports, Consumers Selecting and Enrolling in Plans 2015 – 2019, available at: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/index.html
[2] U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates, available at: https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

Georgia experienced unsustainable premium rate increases in the last few years. The average premium for an individual Bronze Plan increased 27% from 2017 to 2019 ($4,692 to $5,952 per year). The average premium for an individual Silver Plan increased 41% from $5,292 to $7,464 per year over the same time period.[1] These increases have been particularly acute in rural areas of the State. Eighteen counties had an average 2019 Silver Plan premium that exceeded $1,000 per month. For purposes of analyzing the impact of the waiver, the State assumes premium growth will continue its historical trajectory of an average growth of 4.9% annually.

A variety of factors can drive high insurance premiums, including lack of competition in the market and high provider service costs; both are challenges present in Georgia. In PY 2019, only four carriers operated in the individual market across the State. Two additional carriers entered the market for PY 2020; however, the majority of carriers operate in more densely populated urban areas, keeping premiums relatively more affordable in those areas, whereas rural counties have fewer options. Seventy-four percent of counties in Georgia have only one carrier in the individual market in 2019. The lack of market competition and limited provider network options in these regions have priced many Georgians out of the market, resulting in exceptionally high uninsured rates in these areas. Several counties across the State have uninsured rates in excess of 30% among adults ages 19 to 64 years old.

While over 450,000 individuals selected a plan through the FFE in 2019[3], more than three times that number of Georgians opted to remain uninsured rather than purchase through the FFE, despite many qualifying for consumer subsidies. In addition, enrollment continues to decline. The total number of consumers selecting a plan through the FFE in Georgia decreased 22.0% since PY 2016. Even among individuals between 100% – 150% of the FPL who are eligible for the largest federal subsidies, effectively making premiums for Bronze Plans free for many consumers, participation declined 8.2% since 2017. To address the mounting enrollment challenge, Georgia needs innovative solutions to foster a more effective and sustainable market that better meets the needs of its residents.

High premiums, low carrier participation, and low enrollment create a cycle of market instability across the State. High costs drive out consumers who generally feel healthy enough to take the risk of going uninsured. This creates an imbalance in the risk pool which leads to higher costs among those with greater health care needs. Unless Georgia can address rising premiums, the State believes that affordable coverage will become even more unattainable for more Georgians than it is today.

The demographic and enrollment data provided above are recent as of fall 2019 and do not include changes with the COVID-19 pandemic. Georgia, like most states across the country, had unanticipated expenditures and new fiscal pressures that emerged and will continue to emerge from its COVID-19 response. The State originally proposed to launch the Reinsurance Program in PY 2021, but to enable the State to maximize resources during its COVID-19 response, Georgia requests to implement the program in PY 2022. The State believes this strategy will

[3] CMS Marketplace Reports, Consumers Selecting and Enrolling in Plans 2015 – 2019, available at: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/index.html

allow the program to better meet the needs of its residents as those needs evolve in the coming year. COVID-19 has also further exacerbated the existing crisis in healthcare – highlighting the lack of accessibility and affordability of coverage options for many Georgians across the State. Georgia is committed to tackling the systemic challenges within its individual market to get more uninsured residents covered through Georgia's 1332 waiver that will reduce premiums and provide greater access.

Innovative Solutions Proposed in this Section 1332 Waiver

The challenges present in Georgia's individual market are complex and cannot be solved by a single solution. As such, Georgia is submitting a two-part Section 1332 Waiver that crafts a program that is unique to Georgia to tackle its specific needs.

Part I: Reinsurance Program

The first component of Georgia's 1332 Waiver strategy is a Reinsurance Program to help stabilize the market by reducing premiums and attracting/retaining carriers. Georgia requests a five-year waiver of PPACA Title I, Subtitle D, Part II, Section 1312(c)(1) effective beginning PY 2022 to establish a statewide reinsurance program. Section 1312(c)(1) requires all enrollees in the individual market to be members of a single risk pool. By waiving this requirement, Georgia will be able to include state reinsurance payments when determining the market-wide index rate. A lower index rate will lead to lower premiums in the individual market, including Georgia's Second Lowest Cost Silver Plan (SLCSP), resulting in a reduction in the overall Advanced Premium Tax Credit (APTC) and Premium Tax Credit (PTC) the federal government is obligated to pay for subsidy-eligible consumers. This reduction will generate pass through savings for the State under Section 1332(a)(2). The total cost for the Reinsurance Program for PY 2022 is estimated to be $398 million, generating $306 million dollars in APTC/PTC savings for the federal government which the State is requesting as pass-through funding. The remainder of the program will be funded by the State General Fund.

The Reinsurance Program is estimated to lower average premiums by 10.2% statewide for PY 2022, resulting in savings for thousands of Georgians purchasing coverage in the individual market today and making insurance more affordable for those currently uninsured who are not eligible for subsidies. The actuarial analysis estimates that the Reinsurance Program will increase enrollment in the individual market by 0.4% in PY 2022. The premium reduction will bring the most cost relief to individuals over 400% of the FPL who are not eligible for federal subsidies and therefore pay the full out-of-pocket cost for premiums; the estimated increase in enrollment is expected to be concentrated among residents above 400% of the FPL residing in the highest-cost regions of the State.

The Reinsurance Program will reimburse carriers a percentage of an enrollee's claims between an attachment point and a cap. In PY 2022, the program is projected to reimburse claims at an average 27% coinsurance rate for claims between the attachment point of $20,000 and an estimated $500,000 cap. The program will reimburse at different percentages based upon a three-tiered geographic structure designed to provide greater premium relief in regions with the highest premiums and encourage more carriers to participate in parts of the State where there is less carrier participation.

Table 2: Estimated Impact of Georgia's Reinsurance Program Only on PY 2022 Premiums, Enrollment, and Federal Savings (Excluding Impact of Georgia Access)

	Estimated Statewide Premium Impact	Estimated Impact on Individual Market Enrollment	Estimated Federal Savings Due to Premium Reduction
Impact of Reinsurance Program	-10.2%	+0.4%	$306M

Part II: Georgia Access Model

In Part II, also starting in PY 2023, the State seeks to waive certain exchange requirements and will transition its individual market from the FFE to the new Georgia Access Model. This delivery mechanism capitalizes on commercial market resources and maximizes state flexibility and oversight to drive innovation in access, affordability, and customer service, placing the unique needs of Georgia's residents at the center.

To enable the Georgia Access Model, Georgia is requesting a five-year partial waiver of PPACA Title I, Subtitle D, Part II Section 1311. Section 1311 would be waived only to the extent that it is inconsistent with the operation of the Georgia Access Model.

In the new model, the private sector provides the front-end consumer shopping experience and operations, with the State performing the functions described in PPACA sections 1411 and 1412, including validating eligibility information and determining if an applicant is eligible for APTCs; transmitting the eligibility determination to CMS, which will continue to issue APTCs to carriers; sending information annually to enrollees on the Internal Revenue Service (IRS) form 1095-A, Health Insurance Marketplace Statement; and sending information to the IRS through existing monthly and annual reporting processes. The IRS will continue to reconcile PTCs at individual tax filing and will maintain all responsibility for the employer shared responsibility provisions, including collection of any assessed employer penalties.

The Georgia Access Model expands consumer access by allowing individuals to shop for and compare available plans through multiple channels. Residents may use commercial market web-brokers or buy directly from carriers and still receive state subsidies, if eligible. One of the added benefits of this model is that consumers will be able to view the full range of health plans licensed and in good standing in the State that are available to them today but sold through channels outside the FFE.

The implementation of the Georgia Access Model is expected to increase enrollment in the individual market through improved customer service, outreach, and education provided by the private market. Approximately 35,000 Georgians left the marketplace from 2017 to 2019; 92% of whom were outside the FPL eligibility threshold for premium tax credit subsidies. The implementation of Georgia Access is expected to attract consumers back into the market. The State's baseline actuarial model shows an estimated net enrollment increase of 25,000 individuals into the individual market, attributable to the Georgia Access Model. Of the 25,000, 21,250 are projected to be subsidy eligible. This increase is in addition to enrollment increases from the Reinsurance Program.

Part I: Reinsurance

Section I: Program Overview

Georgia seeks a Section 1332 State Relief and Empowerment Waiver to provide relief to consumers from rising premiums and limited carrier choice. Georgia requests a waiver of PPACA Title I, Subtitle D, Part II, Section 1312(c)(1) for a five-year period beginning in PY 2022 to develop a state reinsurance program. Section 1312(c)(1) requires all enrollees in the individual market to be members of a single risk pool. By waiving this requirement, Georgia will be able to include state reinsurance payments when determining the market-wide index rate. A lower index rate will result in lower premiums in the individual market, including Georgia's SLCSP, resulting in lower premiums for those purchasing on the individual market and a reduction in the overall APTC/PTC that the federal government is obligated to pay for subsidy-eligible consumers in Georgia, generating pass through savings for the State under Section 1332(a)(2).

The goal of the Reinsurance Program is to stabilize the individual market to reduce premiums and incentivize carriers to offer plans in more regions across the State. Without the waiver, Georgia anticipates that premiums will continue to rise by 4.9% annually based on historical data and the unknown impact of COVID-19 on premiums in PY 2022 and beyond. By mitigating high-cost individual health insurance claims, the Reinsurance Program will help stabilize Georgia's individual market and make premiums more affordable. This is especially important for high-cost regions of the State with average premium rates nearly double the statewide average.

Georgia's Reinsurance Program will apply to all ACA-compliant, non-grandfathered individual market plans and will be a claims-based model with an attachment point, cap, and a tiered coinsurance rate. The attachment point is where the program will begin to reimburse the carrier for a percentage of high-cost claims up to the cap amount. The applied coinsurance rate will be based upon rating region. Higher coinsurance rates will be applied to high-cost regions to bring the premiums in these regions closer to the statewide average.

Rating regions will be grouped into three areas for applied coinsurance rates:

- Tier 1 (low-cost regions) includes rating regions 2, 3, 5, 8, 14
- Tier 2 (mid-cost regions) includes rating regions 1, 7, 9, 12, 16
- Tier 3 (high-cost regions) includes rating regions 4, 6, 10, 11, 13, 15

For PY 2022, the program is projected to reimburse claims at an average coinsurance rate of 27% for claims between the attachment point of $20,000 and an estimated $500,000 cap. The program is projected to reimburse at different percentages based on the coinsurance rates shown in Table 3. Actual reimbursement rates may vary slightly depending on total federal pass through dollars and state funding.

Table 3: Summary of Estimated Attachment Point, Cap, and Coinsurance for PY 2022

Estimated Attachment Point	Estimated Cap	Estimated Coinsurance
$20,000	$500,000	Tier 1: 15% Tier 2: 45% Tier 3: 80%

The Reinsurance Program is anticipated to reduce premiums in the individual market statewide by 10.2% and subsequently increase enrollment by 0.4%. The premium reduction and increased enrollment will provide the most cost relief to individuals over 400% of the FPL who are not eligible for federal subsidies and therefore pay the full out-of-pocket cost for premiums The State expects that carriers will continue to have incentives to apply their care management practices to contain costs, even after a given member reaches the specified attachment point, as carriers will only be reimbursed a portion of a given member's claim costs between the attachment point and reinsurance cap.

The total cost for the Reinsurance Program for PY 2022 is estimated to be $398 million, generating $306 million dollars in APTC/PTC savings for the federal government which the State is requesting as pass-through funding. The remainder of the program will be funded by the State General Fund.

Georgia's Reinsurance Program will be implemented and administered by the Office of Health Strategy and Coordination (OHSC), working in collaboration with the Georgia Office of Insurance and Safety Fire Commissioner (OCI). OHSC, in coordination with OCI, has the authority to adjust the reinsurance parameters from year-to-year based upon claims experience, the funds available, and the anticipated claims for the coming plan year. The annual payment parameters will be established by administrative process and communicated via notice by May prior to the upcoming plan year.

Section II: Authorizing Legislation

The following two pieces of legislation grant the State of Georgia authority to submit and implement the Reinsurance Program described in this Section 1332 Waiver application. The State cannot implement and operate the Reinsurance Program without an approved Section 1332 Waiver

Senate Bill 106: Patients First Act

Governor Brian P. Kemp signed Senate Bill 106, The Patients First Act, into law on March 27, 2019 amending Article 7 of Chapter 4 of Title 49 and Title 33 of the Official Code of Georgia. The Patients First Act authorizes the Governor to submit one or more Section 1332 Waiver applications to the United States Secretaries of Health and Human Services and the Treasury Department on or before December 31, 2021 to pursue innovation strategies for providing residents with access to high-quality, comprehensive, and affordable health insurance, while retaining basic protections for consumers.

The Patients First Act gave the Governor authority to submit a 1332 waiver with respect to health insurance coverage or health insurance products. This is codified in O.C.G.A. § 33-1-

23(a). In section 3-1 (3) of the law, which is uncodified, the General Assembly found that "such waivers may be narrowly tailored to address specific problems and may address, among other things, the creation of state reinsurance programs." The Patients First Act also authorizes the State to implement Section 1332 Waivers upon approval in a manner consistent with state and federal law and repeals all laws or parts of law in conflict with the Patients First Act. No additional legislation is required for the implementation and operations of the State's Reinsurance Program.

A copy of Senate Bill 106, Patients First Act, may be found at http://www.legis.ga.gov/legislation/en-US/Display/20192020/SB/106 and is included within Appendix B: Authorizing Legislation.

House Bill 186: The Health Act

On April 25, 2019, Governor Brian P. Kemp signed House Bill 186 into law, amending Article 1 of Chapter 53 of Title 31 of the O.C.G.A. Part II of the legislation, The Health Act, establishing the Office of Health Strategy and Coordination within the Office of the Governor, which will oversee this program. The objective of this Office is to strengthen and support the healthcare infrastructure of the State through interconnecting health functions, sharing resources across multiple state agencies, and overcoming the barriers to the coordination of health functions.

The powers and duties of the Office of Health Strategy and Coordination include facilitating collaboration and coordination between state agencies, coordinating state health functions and programs, serving as a forum for identifying Georgia's specific health issues of greatest concern, and promoting cooperation from both public and private agencies to test new and innovate ideas. The Office is granted authority to form and dissolve advisory committees.

A copy of House Bill 186 may be found at http://www.legis.ga.gov/legislation/en-US/Display/20192020/HB/186 and is included within Appendix B: Authorizing Legislation.

Section III: Provisions of the Law the State is Seeking to Waive

Georgia requests a five-year waiver of PPACA Title I, Subtitle D, Part II, Section 1312(c)(1) to establish a statewide reinsurance program. Section 1312(c)(1) requires all enrollees in the individual market to be members of a single risk pool. By waiving this requirement, Georgia will be able to include the State reinsurance payments when determining the market-wide index rate. A lower index rate will result in lower premiums for Georgia's SLCSP, resulting in a reduction in the overall APTC/PTC that the federal government is obligated to pay for subsidy-eligible consumers in Georgia under section 1332(a)(2). Georgia is requesting the federal savings generated by the Reinsurance Program be passed through to the State for each year of the waiver. This amount is estimated at $306 million for PY 2022. Georgia will use these funds, along with the State General Fund, to finance its Reinsurance Program which is projected to decrease premiums 10.2% statewide in PY 2022. Georgia will remain in full compliance with the sections of PPACA not being waived.

Section IV: Compliance with Guardrails: Data, Analyses, and Certifications

Georgia's proposed Reinsurance Program meets the four guardrails as described in the following table.

Table 4: Reinsurance Program Alignment to Guardrails

Guardrail	Impact of Reinsurance Program
Comprehensiveness	There will not be a change to access to metal level Qualified Health Plans (QHPs) and Catastrophic Plans as defined by Section 1302.
Affordability	Premiums are estimated to decrease by an average of 10.2% statewide in PY 2022. The average annual premium decrease compared to the Without Waiver baseline over the 5-year waiver period and 10-year projection period is 10.7% and 11.1% respectively.
Scope of Coverage	Enrollment in the individual market is projected to increase 0.4% in PY 2022, 0.5% by PY 2026, and 0.6% by PY 2031
Deficit Neutrality	Net federal spend is estimated to decrease by $306 million in PY 2022, $1.8 billion over the 5-year waiver period, and $4.2 billion over the 10-year projection period.

- **Comprehensiveness:** There is no estimated difference in the comprehensive coverage options available to residents with the implementation of the Reinsurance Program. The Reinsurance Program will have no impact on covered benefits or the actuarial value of plans offered in the individual market absent the waiver.
- **Affordability:** During each year it is in effect, the Reinsurance Program will make the cost of individual premiums lower than it would be absent the waiver, particularly within rural, high-cost regions of the State. This will reduce the cost for consumers in the individual market absent the waiver. The premium reduction will provide the most cost relief to individuals over 400% of the FPL who are not eligible for federal subsidies and therefore pay the full out-of-pocket cost for premiums. Consumers will continue to be protected from excessive out-of-pocket spending at the same levels they are absent the waiver.
- **Scope of Coverage:** The previously described reduction in premiums is estimated to increase enrollment, with the increase concentrated among those above 400% of the FPL who are not eligible for federal subsidies. The program will have no material impact on the availability of other types of coverage, such as Medicaid, the Children's Health Insurance Program (CHIP), and employer sponsored insurance.
- **Federal Budget Deficit:** The reduction in individual premiums as a result of the Reinsurance Program, including premiums for the SLCSP is estimated to reduce federal spending on APTC/PTC by $306 million for PY 2022, $1.8 billion over the 5-year waiver, and $4.2 billion over a 10-year period.

Table 5: Estimated Impact of the Reinsurance Program Only PYs 2022 – 2026 (Waiver Years 1 - 5)

With vs Without Waiver - Reinsurance Only	Year 1 (PY 2022)	Year 2 (PY 2023)	Year 3 (PY 2024)	Year 4 (PY 2025)	Year 5 (PY 2026)
Enrollment Change	1,543	1,838	1,923	1,973	2,013
Enrollment Change (%)	0.4%	0.5%	0.5%	0.5%	0.5%
Premium Reduction	10.2%	10.5%	10.7%	10.9%	11.0%
Cost to State ($ Millions)	$101	$109	$116	$124	$133
Pass Through Funding ($ Millions)	$306	$327	$349	$373	$398

Section V: Alignment with Principles

Georgia's Reinsurance Program aligns with and advances the following principles discussed in CMS' 2018 Guidance.

- **Increased Access to Affordable Private Market Coverage:** The implementation of the Reinsurance Program will reduce costs for consumers, increase access to affordable private market coverage options, and create incentives for carriers to expand options within high-cost areas of the State. The premium reduction will provide the most cost relief to individuals over 400% of the FPL who are not eligible for federal subsidies and therefore pay the full out-of-pocket cost for premiums.
- **Encourage Sustainable Spending Growth:** The Reinsurance Program encourages sustainable spending growth by stabilizing the individual market within the State and promoting more cost-effective health coverage. By reducing premiums, federal spending on APTC/PTC will also be reduced.
- **Foster State Innovation:** Georgia's tiered coinsurance approach to market stabilization fosters innovation by reshaping the traditional claims reinsurance program to target high-cost regions of the State that currently lack competition and affordable products. This program will provide Georgia consumers with greater access to affordable plan options where it is most needed and attract/retain carriers in those regions.

Section VI: Reporting Targets

The Office of Health Strategy and Coordination will submit all required quarterly, annual, and cumulative reports as required by 45 CFR 155.1324. The reports will demonstrate Georgia's ongoing compliance with the sections of PPACA not being waived and will provide detailed information showing financial data with and without waiver.

As required by 45 CFR 155.1324(a), Quarterly Reports will be submitted. The reports will include, but not be limited to, information on ongoing operational challenges and corrective action plans and/or results.

As required by 45 CFR 155.1324(b), the Annual Report will be submitted within 90 days of year end. Within 60 days of receipt of comments from the Secretary of HHS, Georgia will submit to the Secretary of HHS the final Annual Report for the waiver year. The draft and final Annual

Reports will be published on the State's public website within 30 days of submission and approval by the Secretary of HHS.

The annual report, will include, but not be limited to:

- The current state and the progress of the Section 1332 Waiver to date
- Data on the State's compliance with the guardrails in PPACA 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)
- 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
- A summary of the 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
- Funding received and claims paid

Section VII: Implementation Plan and Timeline

The following table outlines the high-level timeline and key milestones for implementation of the Reinsurance Program. The State will require carriers to submit two sets of rates for PY 2022, with and without reinsurance based on the parameters set within this waiver application. Upon waiver approval, the State will notify carriers of the approved program and parameters. The State will work with carriers to establish ongoing communication and operational coordination for execution of the program. Carriers will be required to submit claims on a quarterly basis. The State will consider options and determine the mechanism for claims submission as part to operational design.

Table 6. High-Level Implementation Timeline for the Reinsurance Program

End Date	Milestone
Section 1332 Waiver Application Process	
11/04/2019	Publish draft Section 1332 Waiver on state website and notify the public
11/04/2019	Begin public comment period
12/03/2019	Complete public hearings facilitated in six locations across the State
12/03/2019	End public comment period
12/23/2019	Submit final Section 1332 Waiver application to HHS and Treasury
02/06/2020	Phase 1 Deemed Complete by HHS and Treasury
03/07/2020	Phase 1 Federal Comment Period Closed
07/09/2020	Publish modified draft Section 1332 Waiver on state website and notify public
07/09/2020	Begin second public comment period
07/23/2020	Complete second set of public hearings and end public comment period
07/31/2020	Submit modified waiver application to HHS and Treasury
10/09/2020	Target to receive approval from HHS and Treasury
Legal Authority and Governance	
03/27/2019	Establish appropriate state legal authority with signing of Patients First Act
04/25/2019	Establish Office of Health Strategy and Coordination authorized by HB 186
Staffing and Operations	
10/09/2020	Identify staffing and operational needs for the program

End Date	Milestone
10/09/2020	Determine claims submission mechanism
10/09/2020	Identify operational coordination required between the State and carriers
Funding For PY 2022 (PYs 2023 – 2026 will follow the same yearly cadence)	
10/09/2020	Develop payment schedule to carriers based on CMS parameters
08/01/2021	Governor begins drafting budget for SFY 2023 including estimated PY 2022 claim payments
09/15/2021	Send HHS and Treasury final Second Lowest Cost Silver Plan rates
01/01/2022	Receive projections for federal pass through for PY 2022
01/15/2022	Governor submits SFY 2023 Budget Report to the Legislature (date subject to change)
04/15/2022	General Assembly passes Appropriations Bill for SFY 2022 (date subject to change)
04/30/2022	Receive federal pass through funding for PY 2022
07/01/2022	Begin SFY 2023
05/01/2023	Pay claims to carriers for PY 2022
Communication and Outreach	
11/03/2020	Develop communication strategy for impacted stakeholders
Year One Implementation	
04/01/2021	Communicate reinsurance program parameters via notice for PY 2022
11/01/2021	Begin open enrollment for PY 2022
01/01/2022	Begin PY 2022 with reinsured claims
04/01/2022	Receive carrier claims for the first quarter
04/01/2022	Notify carriers of reinsurance parameters for PY 2023 via notice
07/01/2022	Receive carrier claims for the second quarter
10/01/2022	Receive carrier claims for the third quarter
01/01/2023	Receive carrier claims for the fourth quarter
04/01/2023	Receive run out claims for PY 2021, reconcile claims, and issue payments to carriers

Section VIII: Public Notice, Comment Process, and Communications Plan

The State conducted two public comment periods for the Reinsurance Program and Georgia Access Model 1332 Waiver application announced by Governor Kemp on October 31, 2019. The first comment period was for the draft 1332 Waiver application and notice from the Governor released on November 4, 2019. The first public comment period was open for 30-days and closed on December 3, 2019. For that comment period, the State conducted six public hearings in geographically dispersed regions of the State. The State responded to the comments received and incorporated changes to the waiver application, which was then submitted to the Departments of Health and Human Services and Treasury on December 23, 2019. A summary of the comments received in the first public comment period may be found in Appendix H: Public Comments from Initial Waiver Application Submission. It should be noted that some of the questions and answers from the first comment period outlined in Appendix H no longer pertain to this modified waiver application. Appendix H appears in its original form from the first comment period and is attached for reference only, the comments do not reflect this modified waiver submission.

In addition, at the onset of waiver development the State convened a group of stakeholders comprised of individuals and organizations representing a variety of stakeholders across Georgia's healthcare landscape. The stakeholders were engaged during the waiver development process when considering changes to the individual marketplace to increase access across the State, lower the cost of healthcare for working Georgians, and improve quality of care. The State emailed the broad range of interested parties/stakeholders about the public notice and waiver application, and the State assembled the stakeholder group on November 4, 2019 to provide an overview of the initial draft waiver. This meeting was open to the public. A list of stakeholders notified about this meeting is included as Appendix E of this waiver application, and a copy of the stakeholder presentation is included as Appendix F of this waiver application. The initial draft 1332 Waiver was also presented to a public legislative committee hearing, the Joint House and Senate Health and Human Services Committee, on November 5, 2019. This legislative hearing was open to the public, livestreamed online, and is available for viewing at https://medicaid.georgia.gov/patientsfirst.

During the CMS review process of the State's 1332 waiver application, the national and local landscape changed dramatically. To ensure that the State is in the best financial and operational position to meet the needs of Georgia residents, Georgia modified the waiver and made minor changes to ensure success. The changes to the waiver were incorporated into the draft modified waiver and released to Georgia residents on July 9, 2020 to provide an opportunity for public comment on the minor modifications. The comments collected in the second comment period pertain to this final waiver submission. The following provides a summary of the comments received during the second public comment period conducted by the State from July 9, 2020 through July 23, 2020 regarding the proposed modifications to its 1332 waiver application.

Public Notice

Georgia used multiple channels to notify the public about the 1332 Waiver application and provided ample opportunity for the public to provide feedback both via oral testimony and written comment. The State's public notice and public comment procedures are informed by, and comply with, the requirements specified in 31 CFR 33.112 and 45 CFR 155.1312. The State received federal approval to provide for virtual attendance for the public hearings given the COVID-19 pandemic. Notice from the Governor was released on July 9, 2020 to commence a 15-day state public comment period which closed on July 23, 2020. The notice was distributed statewide. The public notice, including a comprehensive description of the application as well as changes that have been made from the initial waiver application, the modified draft waiver applications, and the times and locations of the public hearings were posted a dedicated webpage for the Patients First Act at, https://medicaid.georgia.gov/patientsfirst. The notice was shared via multiple social media platforms, including Facebook and Twitter.

Electronic copies of the modified waiver application and all presentations related to the 1332 Waiver were available on the Patients First Act webpage throughout the comment period. The public notice provided instruction for any individual to submit written feedback to the State via an electronic intake portal on the dedicated webpage or by USPS mail. A full copy of the public notice is included as Appendix D of this waiver application.

Public Comment Process

The State held two public hearings in Atlanta with options for in-person and virtual attendance through WebEx where oral comments were received on Georgia's modified Section 1332 Waiver Application. These hearings took place as follows:

- **Atlanta, Georgia**
  Monday, July 13, 2020, 10:00 a.m. EDT
  2 Peachtree Street
  2 Peachtree St, 5th Floor Boardroom
  Atlanta, GA 30303

- **Atlanta, Georgia**
  Wednesday, July 22, 2020, 10:00 a.m. EDT
  2 Peachtree Street
  2 Peachtree St, 5th Floor Boardroom
  Atlanta, GA 30303

The two public hearings followed the same format, beginning with an overview of the 1332 Waiver proposal and modifications since the original waiver application submission, followed by the collection of oral public comment. A court reporter transcribed and entered into the public record all verbal comments presented during each of the public hearings. The transcripts from each of the public hearings are available on a dedicated webpage on the Patients First Act website, https://medicaid.georgia.gov/patientsfirst. A sign language interpreter was available at all the hearings, and individuals requiring special accommodations, including auxiliary communicative aids and services during these meetings could request such accommodations in advance of the meeting. A brief overview of the hearings is provided below. The hearing presentation is included as Appendix G.

Summary of Public Hearings

A total of 53 individuals attended the two hearings virtually hosted by the State and five gave oral testimony. Attendance included representation from the following organizations: Advocate for Responsible Care, Alkermes, Alliant Health Plans, American Lung Association, Augusta University, Georgia Health News, Georgia Hospital Association, Georgians for a Healthy Future, Nelson Mullins, and Otsuka. A copy of the oral testimony may be found on a dedicated webpage on *Patients First Act* website, https://medicaid.georgia.gov/patientsfirst.

Total Comments Received

The State received 611 comments in total during the public comment period, including 603 comments submitted online, three mailed comments, and five oral testimonies. The State reviewed all comments and appreciates the public input received from Georgia residents and interested organizations. Following the public comment period, all written and oral comments were cataloged, summarized, and organized. The State received and considered all comments equally. Additional information regarding the comments received regarding the 1332 Waiver, as well as the State's response to those comments is outlined below.

The State received 606 written comments, including comments provided by individuals and the following organizations: American Cancer Society Action Network, American Diabetes Association, American Heart Association, American Lung Association in Georgia, Association of Web-based Health Insurance Brokers, Atlanta Legal Aid Society, Cystic Fibrosis Foundation, Epilepsy Foundation, Georgia Association of Health Underwriters, Georgia Budget and Policy Institute, Georgia Equality, Georgia Hospital Association, Georgians for a Healthy Future, Health Partners, Hemophilia Federation of America, Kaiser Foundation Health Plan of Georgia, Leukemia and Lymphoma Society, Mercy Care, National Hemophilia Foundation, National Multiple Sclerosis Society, National Organization for Rare Disorders, National Patient Advocate Foundation, Protect Our Care Georgia.

The following summary includes the testimony offered at the public hearings, the comments received by the State through the comment portal, and those received by mail regarding the Reinsurance Program. A complete collection of all public comments submitted is available on a dedicated webpage on the *Patients First Act* website, https://medicaid.georgia.gov/patientsfirst.

Reinsurance Program Comments

Nearly all the comments on the Reinsurance Program were positive and supportive of the program. There were no issues raised with the delayed implementation. Commenters expressed support given the effectiveness of similar programs in other states to stabilize the individual market, reduce premiums, and increase market participation by carriers.

Tribal Consultation

The State of Georgia does not have any Federally recognized Indian tribes within its borders and thus has not established a separate process for consultation with any tribes with respect to this Section 1332 Waiver application.

Section IX: Additional Information

Administrative Burden for Individuals, Issuers, or Employers

The Reinsurance Program will not cause any additional administrative burden to employers and individual consumers. Individual health carriers will experience some administrative burden and minimal associated expenses from the reinsurance program; however, the monetary benefit to the carriers from the Reinsurance Program will exceed any resulting administrative expense.

Impact of PPACA Provisions Not Being Waived

The Reinsurance Program is not projected to impact other provisions of PPACA beyond those being waived.

Impact on Residents Who Need to Obtain Healthcare Services Out-of-State

Because Georgia shares borders with Alabama, Florida, North Carolina, South Carolina, and Tennessee, carrier service areas and networks that cover border counties generally include providers in those states, especially in areas where the closest large hospital system is in the bordering state. Granting this waiver request will not impact carrier networks or service areas that provide coverage for services performed by out-of-state providers.

Providing the Federal Government Information to Administer the Waiver

Georgia will provide the federal government all necessary information to administer the waiver as defined by the reporting requirements (see Part I: Reinsurance Program Section VI). In addition, the State will keep CMS apprised of substantial changes to the program and implementation timelines.

Guarding Against Fraud, Waste, and Abuse

Georgia is committed to administering a Reinsurance Program with appropriate oversight and processes to guard against fraud, waste, and abuse. This includes instituting programmatic oversight mechanisms as well as appropriate financial controls and oversight.

The Office of Health Strategy and Coordination will administer the program in accordance with accepted government accounting practices, as well as reporting and auditing procedures.

The OCI will continue to be responsible for regulating and ensuring compliance of licensed carriers; monitoring the solvency of issuers; performing market analysis, examinations, and investigations; and providing consumer protection services. In addition, OCI will be responsible for auditing and reporting obligations of participating carriers.

Information on Groups Convened to Develop This Waiver

The State formed an Advisory Council of healthcare stakeholders across the State to inform the waiver development. Hospital systems, carriers, associations, advocacy groups, government agencies, and legislators were represented on the Advisory Council. A kick-off meeting was conducted on July 18, 2019 and materials made available to the public on https://medicaid.georgia.gov/patients-first-act. The State also held a series of meetings with carriers from August 18 – 21, 2019 to understand the current challenges in the individual market.

Section X: Administration

The following point of contact will be responsible for ensuring compliance with all Section 1332 Waiver provisions, submitting required reports, and serving as the primary contact for all waiver-related issues and concerns. Should this contact change, the State will inform CMS and Treasury.

Name: Ryan Loke
Title: Office of the Governor, Special Projects Coordinator
Telephone Number: 404-606-6031
Email address: Ryan.Loke@georgia.gov

A waiver of Section 1312(c) for implementation of a state reinsurance program will cause minimal administrative burden and expense for Georgia and the federal government. Georgia anticipates the cost of administering the reinsurance program will be less than 1% of claims paid. Under the newly established Office of Health Strategy and Coordination, Georgia will either have staff or outsource operations to:

- Perform ongoing administration and program monitoring
- Collect and review claims from carriers
- Pay carriers for eligible claims

- Monitor compliance with federal law
- Collect and analyze data related to the waiver
- Hold public forums to solicit comments on the progress of the waiver
- Submit reports to the federal government

The federal government will be responsible for calculating the APTC/PTC pass through funding and savings resulting from this waiver and for ensuring the waiver meets statutory guardrails. Georgia believes that the administrative tasks required of the federal government are similar to other administrative functions currently performed, so that the impact will be minimal. The reinsurance program will require the federal government to perform administrative tasks such as:

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

The Reinsurance Program does not necessitate any changes to the FFE or to IRS operations and will not impact how APTC/PTC payments are calculated or paid.

Part II: Georgia Access Model

Section I: Program Overview

With 1.4 million uninsured residents across the State, over 50% of whom are subsidy-eligible today, it is evident the existing process for shopping, comparing, and enrolling in individual health insurance coverage through the FFE is not serving the needs of Georgians. Georgia therefore requests a five-year partial waiver of PPACA Title I, Subtitle D, Part II Section 1311 which requires states to either operate a state-based exchange or participate in the FFE in order to transition its individual market from the FFE to the Georgia Access Model and provide for the sale of all plans licensed in the state alongside QHPs for PYs 2023 – 2026. Section 1311 would be waived only to the extent that it is inconsistent with the operation of the Georgia Access Model.

Without this waiver, Georgia anticipates that healthcare coverage will continue to decline across the State. The total number of consumers selecting to enroll in a plan through the FFE in Georgia has declined 22% since 2016. The State does not anticipate these individuals returning to the market, nor a reduction in the uninsured rate, without the State acting to address these issues and aligning market incentives to increase participation.

The goal of the Georgia Access Model is to increase affordability and spur innovation in the individual market while maintaining access to QHPs and ensuring consumer protections for individuals with pre-existing conditions. The Georgia Access Model will create a competitive private insurance marketplace that provides Georgia's residents with better access, improved customer service, and expanded choice of affordable coverage options.

The Georgia Access Model will be implemented by OHSC, working in coordination across state agencies including OCI and the Department of Community Health (DCH).The State will transition responsibility for the front-end functions of consumer outreach, customer service, plan shopping, selection, and enrollment from the FFE to the commercial market. The State will follow federal statute to determine APTC subsidy eligibility and transmit that information to CMS. CMS will continue to issue APTC payments to carriers, and the IRS will continue to reconcile PTCs at individual tax filing. Funding for the program will be provided by both federal pass through dollars, the State General Fund, and a state-applied user fee. Working with the General Assembly, the Governor intends to pursue authority to collect a user fee starting in PY 2023. This waiver application assumes a user fee that mirrors the federal rate of 3.0%, but the State will have the authority to reduce the fee, and intends to pursue a user fee that is less than was assessed on the FFE, further reducing premiums based on market dynamics in the future. This waiver application assumes a portion of the user fee would be available to fund the Reinsurance Program, which reduces premiums by an average of 10.2% across the market.

Program Design – Access

The Georgia Access Model expands consumer access by allowing individuals to shop for and compare available plans using the platform of their choice. The individual may use commercial market web-brokers or buy directly from carriers and still receive APTCs/PTCs, if eligible.

Georgia will support a diverse network of private sector entities to deliver the front-end functions of outreach, customer service, plan shopping, selection, and enrollment by leveraging privately-funded mechanisms and incentives that already exist in the commercial market today. Web-brokers and carriers licensed and in good standing with the State that meet defined standards will be certified to participate in the Georgia Access Model. The State will use the federal Enhanced Direct Enrollment (EDE) certification standards as guidance and set State specific standards each year for carrier and web-broker participation in the Georgia Access Model. In addition, before allowing individual agents and brokers to utilize the web-broker enrollment platform, web-brokers will provide training to the individual agents and brokers. Training will include how to use the enrollment platform as well as the obligation to provide objective, unbiased information and avoid steering consumers to a specific plan. The State will be responsible for the oversight of private sector entities and ongoing program management and compliance.

All individual health plans licensed and in good standing with the State will be able to participate in the Georgia Access Model, including plans currently offered through the FFE and those available in the wider market. New enrollment mechanisms will allow consumers to view and enroll in plans through the platform that best meets their needs. The new model will improve the shopping and plan selection experience for consumers as they will be able to view the full range of coverage options available in the State via web-brokers.

Georgia expects web-brokers and carriers to employ multiple channels for plan/product selection and enrollment, such as online, by phone, or in person, thus leading to improved customer service and access. Allowing multiple, private web-brokers to participate will create competition and provide market incentives to offer improved plan/product selection and enrollment assistance, as well as local, customized customer service to attract uninsured individuals into the market. Web-brokers are typically paid on commission for enrollment, creating strong market incentives to provide education and outreach to drive enrollment and reduce the number of uninsured, without cost to the State. Web-brokers are incentivized to provide strong customer service to retain their consumer base year over year. As more individuals enter the market, the risk pool across each region grows, thereby driving down premiums.

Private web-brokers and carriers will be able to directly market to potential applicants and assist residents in navigating their expanded health care coverage options. Carriers have an additional incentive to invest in marketing to attract new business and retain their current FFE consumers. Local brokers and agents will be able to discuss plan options with residents and, if asked, help navigate web-broker or carrier websites. The private market will be incentivized to provide high-quality customer service to retain consumer loyalty, as consumers select their enrollment pathway each year. In alignment with federal requirements for EDE vendors, web-brokers participating in the Georgia Access Model will be restricted from providing financial incentives for specific plan selection and may not display plan recommendations based on compensation received from the plan issuers.

To improve access, OCI will provide consumers with a single source of information on the health care coverage options available in the State and how to access and enroll in that coverage. Through the existing OCI website, the State will provide a list of approved carriers and web-

brokers that will participate in Georgia Access. In addition, HealthCare.gov, the existing FFE Georgia platform, will provide consumers with a link to the State OCI website if an individual attempts to enroll using a Georgia location. This will be part of the transition strategy intended to provide consumers with necessary information to shift from the FFE and enroll through the options available via Georgia Access.

The State anticipates that by providing multiple enrollment mechanisms and channels through Georgia Access, the consumer experience for plan shopping and selection will be preferable to the current FFE experience. Georgia Access promotes greater access to individual market coverage and enhances consumer assistance and communication. The enrollment platforms (i.e., web-brokers and carriers) in the Georgia Access Model will be integrated with the State's Medicaid eligibility system, preserving the single streamlined application and enhancing the referral and determination process for consumers.

Georgia Access will maintain the concept of a "one-stop-shop" for plan shopping and comparison through participating web-brokers. The State will look to industry best practices for guidance, including those for EDE to ensure that consumers have comprehensive and secure access to available plan options and information. Private web-brokers certified as EDE entities provide all the same support for consumers that would otherwise be available through Healthcare.gov and objectively help consumers shop for and compare available QHPs.[4] Georgia will require the following standards in place today for EDEs be met in order to participate in the Georgia Access Model:

- Display minimum QHP details
- Clearly distinguish between QHPs and non-QHPs, and indicate APTC and CSRs are only available with QHPs
- Provide consumers with correct information, without omission, and refrain from marketing or conduct that is misleading
- Display all available QHPs (applicable to web-brokers)
- Don't provide financial incentives such as rebates or giveaways
- Don't display QHP recommendations based on compensation from issuer

In addition, consumers who wish to stay enrolled in their current plan may shop and enroll directly through the carrier. Carriers will have strong incentives to conduct marketing and outreach to maintain their current consumers.

Transitioning from the FFE

The primary goals of the Georgia Access Model are to expand access to coverage and increase enrollment in Georgia's individual market to reduce the high uninsured rate experienced across

[4] Under current federal regulations, private web-brokers certified as EDE entities must display at least a basic set of details on all qualified health plans for sale in the consumer's service area and must display and sort search results in a consistent way. Some web-brokers participating in the market today go further than the minimum federal requirements. For example, HealthSherpa and GetInsured, two federally certified web-brokers operating in Georgia's market today as EDE entities, display full details on all qualified health plan options equally, without regard to whether they have a financial relationship with the issuer.

the State. The State and the Governor are committed to developing a robust transition and communication strategy to inform residents of new options available to them. A state-directed model that offers a choice of enrollment platforms and access to local assistance will have broad appeal to Georgia consumers. The State will also have greater flexibility to respond to the needs and challenges unique to Georgia's market through plan certification, enrollment platform certification, and broker and agent licensing and certification. Finally, the Georgia Access Model allows for greater collaboration and information sharing across state departments that oversee different programs serving Georgians.

Georgia recognizes that moving from the FFE to the Georgia Access Model will require a detailed transition strategy, including thoughtful and clear communication for current consumers and potential new consumers. The State will convene an advisory body of key stakeholders from across Georgia's healthcare landscape – including web-brokers and carriers – to support the implementation planning and rollout of the Georgia Access Model. Stakeholder communication and engagement will be critical throughout the process to enable a smooth transition to the new model and provide customer service, notification, and education to residents. Georgia will also work closely with CMS throughout implementation to mitigate any potential gaps in coverage for current individual market consumers.

Many states that previously transitioned from the FFE were faced with the same challenge of trying to minimize the risk of losing existing consumers during the transition. Georgia is currently in discussions with a number of states and will incorporate lessons learned and best practices gleaned from their experiences. In addition, the State will work closely with CCIIO throughout the transition. In addition, Georgia will take a number of critical steps including the development of a detailed transition plan.

To facilitate a successful transition, the State will implement a robust, multi-pronged communication strategy to ensure public awareness and understanding regarding how to shop for and enroll in coverage, consisting of:

- Implementing a comprehensive, state-wide Public Awareness Campaign regarding the 1332 Waiver and the new Georgia Access Model through various communication channels including print, radio, and digital and social media.
- Providing agents, health care providers, advocacy groups, and other stakeholders, including those that provide assistance to consumers as Certified Application Counselors, with information on how the Georgia Access Model operates.
- Providing employers with information on the Georgia Access Model that can be shared with their employees, including opportunities with Individual Coverage Health Reimbursement Accounts.
- Maintaining a public webpage with information for consumers including how to enroll in the market, a list of approved enrollment platforms, and a list of available carriers in their areas.
- Working hand in hand with CCIIO for transition planning, communications, and operations - leveraging lessons learned and best practices from other states that recently transitioned from the FFE.

- Coordinating notices and communications to current marketplace consumers from Healthcare.gov, insurance carriers, and the State throughout the transition to Georgia Access.
- Coordinating with CCIIO to have clear messaging to Georgia residents who visit Healthcare.gov regarding how to seek coverage within Georgia Access.
- Working with participants in the Georgia Access Model to enable consumers to preview plans that will be available in the market prior to the start of the first open enrollment period.
- Establishing the same Open Enrollment timeframe set by the federal government to follow the timeline that current enrollees have grown accustomed to.

Another key component of Georgia's transition plan is to offer auto-reenrollment for current consumers during the transition year to Georgia Access. The following outlines the high-level auto re-enrollment steps for transitioning to the Georgia Access Model:

1. Georgia's integrated eligibility system, Georgia Gateway, will receive data files from Healthcare.gov prior to Open Enrollment.
2. Gateway will store marketplace consumer information in its Enterprise Master Person Index, including auto re-enrollment consent.
3. Correspondence will be sent both by Healthcare.gov and the State to consumers indicating they will be enrolled in coverage through the Georgia Access Model.
4. Gateway will run an auto re-enrollment batch in early October using an insurance plan crosswalk when the current plan is no longer available, similar to the process on Healthcare.gov today.
5. Gateway will report all enrollment/disenrollment information to the insurance carriers using a HIPAA-compliant 834 file.
6. Gateway and the insurance carrier will send Open Enrollment notices to the consumer prior to November 1; this notice will include enrollment information informing individuals of the opportunity to change plans and update information for those who have selected to be auto-reenrolled.
7. Consumers will still have the ability to make changes during the Open Enrollment window through their enrollment platform of choice (November 1 – December 15).
8. Gateway will run another re-enrollment batch file promptly after the close of Open Enrollment to process changes made.
9. Consumers will receive eligibility determination notices and effectuate enrollment by making a binder payment with the carrier, just as they do today.

Additionally, consumers will be able to auto-re-enroll each year in the Georgia Access Model, similar to how EDEs operate today.

Program Design – APTC Eligibility and Issuance

Under the Georgia Access Model, the State will validate eligibility information and determine if an applicant is eligible for QHPs and APTCs. The State will send that information to CMS, which will continue to issue the APTCs to carriers, and to the IRS, which will continue to reconcile PTCs during individual tax filing. The IRS will maintain all responsibility for the employer shared responsibility provisions, including collection of any assessed employer penalties.

By implementing its own eligibility determination and calculation for APTCs, Georgia will be able to realize greater efficiencies than the FFE. For example, the State will leverage existing infrastructure to develop a new process to validate income using more recent employment data rather than using prior year federal tax return information as the FFE currently does. Doing so will enable a more accurate APTC calculation at the time of enrollment. In addition, as the State will be managing the eligibility determination process for both individual market subsidies and Medicaid, it will be able to more effectively manage the eligibility process across Medicaid and the individual market than is the case with the FFE. This is because the FFE uses an individual's prior year federal tax return information to calculate income while Georgia Access will use more recent income sources thus improving the accuracy of not just the subsidy calculation, but also Medicaid eligibility determination. Moreover, the FFE only checks for Modified Adjusted Gross Income (MAGI) Medicaid which does not include all categories of Medicaid within a State. Under Georgia Access, the State will also be in a better position to assess an applicant's eligibility for other categories of Medicaid, such as Aged, Blind and Disabled (ABD), because the process will be more tightly linked with the State's Medicaid eligibility system than is currently the case with the FFE.

Program Design – State IT Infrastructure

Georgia plans to leverage its current IT infrastructure to provide eligibility and APTC determination capabilities required for the Georgia Access Model. Georgia Gateway is the State's new and modern Integrated Eligibility (IE) system. The new IE system is used by agencies across multiple departments, includes over 6,000 users, and serves over 3,000,000 residents. Georgia Gateway is used to determine eligibility for six benefit programs today, including all categories of Medicaid, Children's Health Insurance Program (CHIP), Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care, and Women, Infants, and Children (WIC). The system is web-based and is PPACA and Health Insurance Portability and Accountability Act (HIPAA) compliant.

The State will be able to leverage several existing Georgia Gateway system capabilities for validating consumer information and determining eligibility for individual market APTCs, including:

- Enterprise Master Person Index which serves as central repository for identifying unique individuals across multiple state systems using an enterprise grade Master Data Management (MDM) platform
- Rules engine that conducts both financial and non-financial eligibility tests which is customizable based on policy using an enterprise grade Business Rules Engine platform
- Enterprise Service Bus (ESB) to connect multiple government solutions to a single, centralized services using an enterprise grade platform
    - Over 40 trading partners and 150 interfaces including but not limited to of relevance to these new programs
    - Interfaces with federal services including the Federal Data Service Hub (FDSH), the Social Security Administration (SSA), and the Systematic Alien Verification for Entitlements (SAVE) Program using real-time and batch

services in order to automatically validate Social Security number, date of birth, citizenship, and unearned income
    - Interfaces with state services to validate residency
    - Interfaces with state services to validate earned income through the Georgia Department of Labor with enhancement to also integrate with Work Number
    - Interfaces with state services to validate unemployment insurance income data from the Georgia Department of Labor
- No-touch application processing
- Batch scheduler that runs automated processes
- Notices platform that generates thousands of notices nightly to the customers and includes a Go Green option for electronic notices supported by an enterprise grade content generation platform
- Case management solution
- Help desk for citizens and case workers
- Reporting and Dashboards

The following are capabilities that will need to be extended and configured from Georgia Gateway for Georgia Access:

- New and modified eligibility rules for individual market subsidies
- Secure interfaces with web-brokers
- Secure interfaces with carriers
- New and modified client correspondence
- New and modified reports and dashboards
- New and modified case management functionality

Program Design – Enhancing Medicaid Referrals

The Georgia Access Model enhances and streamlines the Medicaid referral and eligibility determination process for individuals who are applying through the individual market. Every consumer who applies for coverage through the Georgia Access Model will first be assessed for Medicaid eligibility. This process will be enabled by the enrollment platforms (i.e., web-brokers and carriers) being directly connected to Georgia's Medicaid eligibility system, making it easier, not harder, to accurately and quickly determine if a consumer is eligible for individual market subsidies or for Medicaid. Today, Healthcare.gov does not have the authority to make Medicaid eligibility determinations for most states, including Georgia. Instead, Healthcare.gov makes an initial assessment and then passes the application to the State's Medicaid eligibility determination system through an "account transfer function" relying on the State's system to decide eligibility for the consumer. There are a few key challenges with the current model:

- Healthcare.gov only assesses for MAGI Medicaid and is unable to make assessments for non-MAGI Medicaid categories, such as Aged, Blind, or Disabled Medicaid. This means that consumers who apply through the FFE may actually be eligible for other categories of Medicaid assistance according to the State's rules but remain unaware of those opportunities.

- Healthcare.gov uses a consumer's prior year tax return to calculate MAGI Medicaid eligibility, whereas states use more current sources of income for Medicaid, such as current year pay stubs and reporting through the Department of Labor. This causes the FFE to be less accurate when estimating a consumer's current income, which is the basis for determining Medicaid eligibility.
- Medicaid referrals from Healthcare.gov to the states are frequently not determined eligible for Medicaid. In Georgia for 2019, a total of 119,973 referrals were made throughout the year from the FFE to the State for Medicaid assessment, with 63% of the volume coming in during Open Enrollment. Only 12% of the referrals from the FFE were determined eligible and approved for Medicaid. Consumers who are denied for Medicaid are sent back as account transfers to Healthcare.gov, often referred to as "bounce backs." One of the most common reasons for "bounce back" is that the FFE and states use different sources to estimate a consumer's income. When the FFE uses the prior year's tax return, and states use more recent data sources, consumers can get caught in a loop of referrals back and forth. This is particularly problematic when the consumer's prior year's tax return shows they are under 100% of the FPL but current income sources put them over 100% of the FPL.

Georgia plans to maintain and enhance the existing screening requirements in place today for EDEs within the Georgia Access Model to help consumers assess their potential health coverage options before starting an application. In addition, the Georgia Access Model streamlines the Medicaid referral process for consumers in Georgia. Georgia will use a single system to perform eligibility determination for the individual market and for Medicaid. By having the enrollment platforms for the individual market connect directly to the Georgia Medicaid eligibility system, the Georgia 1332 Waiver cuts out the FFE "middleman" making the process more efficient and accurate.

When an individual applies through an enrollment platform in Georgia Access, the State's eligibility system will always first perform a check for the consumer's Medicaid eligibility, including while they are being assisted by agents and brokers. If the consumer is eligible for Medicaid, the State's system will take the information provided in the single streamlined application through the enrollment platform and auto-create and process a Medicaid application for the individual.

Agents and brokers will continue to have the same incentives in the market today to assist Medicaid eligible members within the Georgia Access Model. Frequently, individuals move on and off the exchange, at times going in and out of Medicaid; this is often referred to as churn. The agent/broker model is based upon building an ongoing and trusted relationship with their client in order to assist them through life changes. By assisting individuals when they are not eligible for APTCs because they are eligible for Medicaid, the agent/broker cultivates a relationship of trust in which the individual is likely to return for support when they leave Medicaid.

Currently OCI has comprehensive licensing requirements for producers (agents and brokers) in the State. Agents are required to complete continuing education classes. In addition to what is

required today, the State will work with partners to develop a curriculum and offer Continuing Education credits for agents regarding the Georgia Access Model, Medicaid, and the transition to and from Medicaid and the individual market to better inform and serve the public. Before allowing individual agents and brokers to utilize the web-broker enrollment platform, web-brokers will provide training to the individual agents and brokers. Training will include how to use the enrollment platform as well as the obligation to provide objective, unbiased information and avoid steering consumers to a specific plan. The State will continue to receive and investigate consumer complaints filed against agents and brokers. The State under the Georgia Access Model will have greater authority than the FFE to enforce ethics standards.

The transition to Georgia Access is not anticipated to increase the workload for the State's Medicaid eligibility staff since much of the eligibility process can be done automatically through interfaces. The State's integrated eligibility system is used by agencies across multiple departments, includes over 6,000 users, and serves over 3 million residents. Georgia Gateway is used to determine eligibility for six benefit programs today, including all categories of Medicaid, Children's Health Insurance Program (CHIP), Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Child Care, and Women, Infants, and Children (WIC). In addition, residents in Georgia will continue to be able to apply for and enroll in Medicaid through the same channels available to them today within the State. The State recently implemented a new program in the system, Supporting Onsite Learning for Virtual Education Program (SOLVE), provide scholarships for families and students enrolled in Georgia public school systems offering only a virtual learning model to pay for care, supervision, and support during the COVID-19 pandemic.

Projected Impact on Consumers

Instead of selecting and enrolling in plans through the FFE, consumers will enroll through private web-brokers or directly with carriers and still be eligible to receive APTCs. For Georgians currently selecting QHPs and Catastrophic Plans on the FFE, the State anticipates the Georgia Access Model will generate an improved customer experience and more affordable premiums. Georgia residents will be able to visit web-brokers to view the full range of insurance products available to them. Consumers also will be able to view the premium and out-of-pocket costs with applied APTCs prior to selecting a plan, as is the case with the FFE.

The combined impact of the Reinsurance Program, incentives for private entities to conduct marketing and outreach, multiple available access channels, and the State's Public Awareness Campaign are expected to increase enrollment, particularly across rural areas of the State. Many rural areas suffer from high uninsured rates and high marketplace premiums, and receive limited marketing and outreach efforts today. Fifty-eight of Georgia's 159 counties have uninsured rates higher than 25% among adults 19 to 64. In many parts of rural Georgia, uninsured residents have household incomes that would make them eligible for subsidies. The Georgia Access Model creates an environment that does not leave these individuals behind.

Table 8: Summary of Estimated Impact on Enrollment for PY 2023 with the Reinsurance Program and Georgia Access Model

PY 2023 Estimated Enrollment Impact*	Enrollment Increase
Bronze Subsidized	19,125
Silver Subsidized	2,125
Bronze Unsubsidized	4,812
Silver Unsubsidized	970
Gold Unsubsidized	373
Total**	**27,405**

* Projected enrollment from reinsurance is slightly higher than Reinsurance Only projections due to average premium reduction with increased enrollment with the Georgia Access Model. The model estimates 25,000 new enrollees enter the market due to increased access through Georgia Access, resulting in an additional 3.5% premium reduction across the market. This reduction leads to increased enrollment of 781 new price-sensitive enrollees who are ineligible for APTCs.
**Totals may not equal sum of parts due to rounding

Impact on Plan Selection

The State is not introducing new plan types into the market with the Georgia Access Model. All plans that are available within the State today will continue to be available to consumers under the Georgia Access Model, including Association Health Plans (AHP) and Short-Term Limited Duration Insurance (STLDI) plans. The only difference is that, rather than having to navigate multiple sites and channels, consumers will be able to view all products available to them through web-brokers in the Georgia Access Model. Georgia Access will require web-brokers and carriers clearly display which plans are ACA-complaint, QHPs, and subsidy-eligible.

The State will implement consumer protections for web-brokers and carrier participation in the Georgia Access Model based on the standards and framework set for EDEs today with the FFE in order to ensure that consumers have clear, accurate, and objective information. This includes the requirement that they clearly display which plans are ACA-compliant, QHPs, and eligible for APTCs. Additionally, the Georgia Access Model will have the flexibility to provide even more consumer protections in response to the needs and dynamics within the State, than is available with the FFE today.

Under the Georgia Access Model, consumers will be able to view and access all plans available to them in the State. Georgia does not anticipate migration of current QHP consumers to non-ACA compliant plans. Eighty-five percent of consumers buying in the market today received subsides and would not have a financial incentive to move to non-subsidized plans. The remaining 15% of consumers buying in the market have actively chosen to enroll in QHPs even after the repeal of the individual mandate penalty.

To compare commissions paid for STLDIs and QHPs, we analyzed two data sources. For commissions paid for STLDIs, the data is based on a high-level analysis of confidential carrier data requested by the State. For commissions paid for QHPs, the data is based upon a Kaiser Family Foundation analysis[5] of 2018 data from Health Coverage Portal TM, a market database maintained by Mark Farrah Associates, which includes information from the National

[5] Kaiser Family Foundation. "Broker Compensation by Health Insurance Market." https://www.kff.org/health-costs/state-indicator/health-insurance-broker-compensation/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

Association of Insurance Commissioners; mini-med companies with a medical focus were included.

Recognizing the inherent limitations of comparing data from two different data sources, we determined the average commission paid in Georgia for QHPs is $6.88 PMPM compared to $8.42 PMPM for STLDIs. While this difference in commission paid in theory could provide a slight incentive for brokers and agents to steer consumers towards STLDI plans, there is no evidence that this slight differential has, in fact, influenced consumer and agent/broker behavior in the State of Georgia for the following reasons:

- There has not been a significant growth in enrollment in STLDI plans over the last several years
- There has not been an increase in the number of issuers offering STLDI plans
- There have been minimal changes in the volume of annual rate filings for STLDI plans

To further mitigate any potential slight incentive for brokers and agents to steer consumers, they will be required to complete training on how to utilize web-broker enrollment platforms within Georgia Access. Training will include how to use the enrollment platform as well as the obligation to provide objective, unbiased information and avoid steering consumers to a specific plan. The State will continue to receive and investigate consumer complaints filed against agents and brokers. Because the State licenses and regulates producers (agents and brokers), under the Georgia Access Model, the State will have greater authority than the FFE to enforce ethics standards and consumer protections.

Consumer Assistance

Within the Georgia Access Model, web-brokers, carriers, and local agents are incentivized to provide shopping, comparison, and enrollment support for consumers. The State will leverage and build upon the consumer requirements and protections that CCIIO has established for web-brokers and carriers to operate as EDE entities. This includes providing applications in multiple languages and providing multiple access opportunities for consumers with disabilities in compliance with the Americans with Disabilities Act. Many EDE entities today go beyond the minimum federal requirements to provide customized, individualized services to attract new consumers and maintain existing consumer.

The FFE experienced a decline in enrollment from 2016 – 2019, both within Georgia and nationally. Conversely, enrollments using DE/EDE platforms have experienced growth. This illustrates both the power of the private sector to attract consumers into the market and the comfort consumers have with going outside the FFE for enrollment. In recent years, CMS has dramatically reduced Navigator funding. In 2019, CMS provided $550,000 in Navigator funding to only one organization in the State, the Georgia Association for Primary Health Care. Currently, the federal Navigator program has limited impact on Georgia enrollment.

Health literacy continues to be a major challenge for Georgia consumers. Agents are licensed and have built careers helping consumers manage the complexities of healthcare coverage to find the insurance plan that best meets their individual and family needs. These agents are Georgians.

They are part of communities throughout the State, with a much greater reach and understanding of local dynamics to better reach local consumers.

Healthcare.gov continues to face multiple challenges through PY 2020. The system has failed to meet the needs of Georgians, particularly low-income residents. This is evidenced by the 715,000 residents who would qualify for subsidies but remain uninsured, including 150,000 who would be eligible for free Bronze Plans today. The Georgia Access Model will create greater access, improve customer assistance and support, and be more responsive to meeting the evolving needs of Georgians than compared to the current state with Healthcare.gov.

Similar to how EDE entities operate with Healthcare.gov today, consumers will primarily receive post-enrollment support through the web-brokers and carriers. Consumers will report changes, resolve data matching issues, and apply for a Special Enrollment Period through the certified enrollment channel in which they initially made their selection. Similar to current practice with the FFE, consumers will contact their carrier directly for questions and issues regarding plan coverage.

The State will continue to maintain and update a webpage with consumer information including certified enrollment channels for plan shopping and selection and carriers available in their area. Additionally, the State will implement a dynamic, web-based consumer support tool to provide answers to frequently asked questions and connect consumers with additional support and resources. Consumers will also file eligibility appeals and/or complaints regarding web-brokers, agents, and carriers directly with the State.

Section II: Authorizing Legislation

The following two pieces of legislation grant the State of Georgia authority to submit and implement the Georgia Access Model contained within this Section 1332 Waiver application.

Senate Bill 106: Patients First Act

Governor Brian P. Kemp signed Senate Bill 106, The Patients First Act, into law on March 27, 2019 amending Article 7 of Chapter 4 of Title 49 and Title 33 of the Official Code of Georgia. The Patients First Act authorizes the Governor to submit one or more Section 1332 Waiver applications to the United States Secretaries of Health and Human Services and the Treasury Department on or before December 31, 2021 to pursue innovation strategies for providing residents with access to high quality, comprehensive and affordable health insurance while retaining basic protections for consumers.

The Patients First Act provides the Governor broad authority to submit Section 1332 Waivers which may address among other things: changes to premium tax credits and cost-sharing arrangements, creation of new health insurance products, implementation of healthcare delivery systems, and redefinition of essential health benefits. The Patients First Act authorizes the State to implement Section 1332 Waivers upon approval in a manner consistent with state and federal law and repeals all laws or parts of law in conflict with the Patients First Act. No additional legislation is required for the implementation and operations of the Georgia Access Model.

A copy of the Patients First Act may be found at http://www.legis.ga.gov/legislation/en-US/Display/20192020/SB/106 and is included within Appendix B: Authorizing Legislation.

House Bill 186: The Health Act

On April 25, 2019, Governor Brian P. Kemp signed House Bill 186 into law, amending Article 1 of Chapter 53 of Title 31 of the Official Code of Georgia. Part II of the legislation, The Health Act, establishes the Office of Health Strategy and Coordination within the Office of the Governor, which will oversee this program. The objective of this Office is to strengthen and support the healthcare infrastructure of the State through interconnecting health functions, sharing resources across multiple state agencies, and overcoming the barriers to the coordination of health functions.

The powers and duties of the Office of Health Strategy and Coordination include facilitating collaboration and coordination between state agencies, coordinating state health functions and programs, serving as a forum for identifying Georgia's specific health issues of greatest concern, and promoting cooperation from both public and private agencies to test new and innovate ideas. The Office is granted authority to form and dissolve advisory committees.

A copy of House Bill 186 may be found at http://www.legis.ga.gov/legislation/en-US/Display/20192020/HB/186 and is included within Appendix B: Authorizing Legislation.

Section III: Provision of the Law the State is Seeking to Waive

To implement its Georgia Access Model, Georgia is requesting to waive PPACA Title I, Subtitle D, Part II Section 1311 in part, which requires states to either operate a state-based exchange or participate in the FFE. To enable the implementation of Georgia Access, Georgia requests waiver of Section 1311 only to the extent that it is inconsistent with the model proposed in this Waiver.

Georgia is requesting waiver of Section 1311 in part, to provide the State flexibility to determine the operations to best support its innovative consumer-centric model. The State will collaborate with the private sector to develop a network of private sector entities to deliver front-end services and customer support for plan selection and enrollment. The State will validate and determine QHP and APTC eligibility, and the federal government will continue to issue APTCs/PTCs for QHPs. The State will also be relieved of requirements that create barriers to access, such as the sale of non-QHPs alongside QHPs. With these changes, Georgia will remain in full compliance with sections of PPACA not waived.

Section IV: Compliance with Guardrails: Data, Analysis, and Certifications.

The Reinsurance Program and Georgia Access Model meet the guardrails as described below.

Table 9: Reinsurance and Georgia Access Model Compliance with 1332 Guardrails

Guardrail	Impact of Reinsurance and Georgia Access Model
Comprehensiveness	There is no anticipated change to access to metal level QHPs and Catastrophic Plans as defined by Section 1302. Consumers will have increased access to all individual products licensed and in good standing within the State.
Affordability	For PY 2022, premiums are estimated to decrease by an average of 10.2% statewide due to the Reinsurance Program. For PY 2023, premiums are estimated to decrease by an average of 10.4% statewide due to the Reinsurance Program and metal level QHP premiums are estimated to decrease an additional 3.4% due to the Georgia Access Model. The average annual premium decrease compared to the Without Waiver baseline over the 5-year waiver period and 10-year period is 13.4% and 14.2% respectively. Further, APTCs/PTCs eligibility will remain the same for QHPs under the Georgia Access Model, keeping plans as affordable as without the waiver.
Scope of Coverage	Enrollment in the individual market is estimated to increase 0.4% in PY 2022 due to the Reinsurance Program. Enrollment in the individual market is estimated to increase 0.4% in PY 2023 due to the Reinsurance Program and 6.8% in PY 2023 due to the impact of Georgia Access Model. Enrollment is estimated to increase a total of 0.4% in PY 2022, 7.2% in PY 2023, 7.2% by PY 2026, and 7.3% by PY 2031.
Deficit Neutrality	Net federal spend is estimated to decrease by $306 million in PY 2022 with just reinsurance. Net federal sped is estimated to decrease by $288 million in PY 2023 with both reinsurance and Georgia Access, $1.6 billion over the 5-year waiver period, and $3.7 billion over the 10-year period for the combined Reinsurance Program and Georgia Access Model.

- **Comprehensiveness:** With the implementation of the Georgia Access Model, consumers will have the same access to metal level QHPs and Catastrophic Plans as they do absent the waiver. In addition, consumers will have increased access through the Georgia Access Model to view a wide range of health insurance products offered by carriers that are licensed and in good standing with the State to meet their unique healthcare needs, such as accident supplemental plans, critical illness plans, limited-benefit plans, short-term limited duration plans, vision, and dental.
- **Affordability:** The Reinsurance Program is projected to decrease premiums by 10.2% statewide, making the with waiver coverage more affordable to Georgians than would be absent the waiver. The estimated additional enrollment due to the Georgia Access Model is projected to further reduce premiums by 3.4%, improving the affordability of healthcare coverage as residents.
- **Scope of Coverage:** The Georgia Access Model is estimated to increase the number of individuals with healthcare coverage through expanded consumer channels, greater choice, and an improved customer service experience.
- **Deficit Neutrality:** The combined impact of the Reinsurance Program and waiver of Georgia's participation on the FFE and the APTC/PTC is projected to reduce federal spending. The implementation of the Reinsurance Program will generate savings for the federal government which is requested as pass through to fund the State's Reinsurance Program. The Georgia Access Model is estimated to increase net enrollment in the individual market by 25,000 for PY 2023. Increased enrollment by ATPC/PTC – eligible individuals may increase federal outlay, which the State is

requesting be deducted from the APTC/PTC savings generated by the Reinsurance Program.

- The State assumes the federal government will no longer collect the user fees on Georgia plans because the State will not be operating on the FFE and will not be using any FFE functions.

Table 10: Estimated Impact of the 1332 Waiver with Reinsurance Program and Georgia Access Model PYs 2022 – 2026 (Waiver Years 1 – 5)

With Waiver vs Without Waiver Comparison for each Year, including Reinsurance and Georgia Access	Year 1 (PY 2022)	Year 2 (PY 2023)	Year 3 (PY 2024)	Year 4 (PY 2025)	Year 5 (PY 2026)
Enrollment Growth	1,543	27,677	27,884	27,958	28,003
Enrollment Change (%)	0.4%	7.1%	7.2%	7.2%	7.2%
Premium Reduction	10.2%	13.8%	14.0%	14.2%	14.4%
State User Fees ($ Millions)	$0	$93	$97	$102	$107
Cost to State ($ Millions)	$101	$60	$61	$68	$74
Net Pass Through Funding ($ Millions)	$306	$288	$307	$328	$350

Section V: Alignment with Principles

The Georgia Access Model aligns with and advances the principles discussed in CMS' 2018 Guidance as described below.

- **Increased Access to Affordable Private Market Coverage:** By enabling diverse plan types to be offered side-by-side with QHPs and Catastrophic Plans, consumers will be able to view the full range of options available to them within the State and select a plan that best suits their needs and price point. The goal is to increase healthcare coverage options across the State without eroding the QHP market to provide consumers with expanded options.
- **Encourage Sustainable Spending Growth:** Georgia's innovative Georgia Access Model promotes sustainable spending growth by infusing the system with market competition to drive more cost-effective health coverage and ultimately reduce federal spending commitments. By engaging the private sector to deliver front-end services, the State anticipates that Georgians will receive more direct and meaningful services at a lower cost.
- **Foster State Innovation:** The Georgia Access Model aligns market incentives as private entities are responsible for, and motivated to perform, effective and efficient customer outreach, education, and enrollment.
- **Promote Consumer-Driven Healthcare:** The innovative Georgia Access Model reimagines the marketplace experience, placing the consumer at the center. The Georgia Access Model creates a no-wrong-door approach by allowing the consumer to purchase plans on the open market that best meet their needs while also receiving APTCs, if eligible. Vendors across the ecosystem – from web-brokers to carriers – are encouraged to participate in the market and are incentivized to tailor their outreach and communication efforts to meet the unique needs of the customers. Local

brokers may discuss plan options with residents, and if asked, help navigate web-broker or carrier websites. This model creates a competitive environment based on the consumer experience – fostering growth and innovation in the private market to increase consumer tools, information, and customer service to help individuals in their healthcare coverage journey.

Section VI: Reporting Targets

OHSC will submit all required quarterly, annual, and cumulative reports as required by 45 CFR 155.1324. The reports will demonstrate Georgia's ongoing PPACA compliance and provide detailed information showing financial data with and without waiver.

As required by 45 CFR 155.1324(a), Quarterly Reports will be submitted. The reports will include, but not be limited to, information on ongoing operational challenges and corrective action plans and/or results.

As required by 45 CFR 155.1324(b), the Annual Report will be submitted within 90 days of year end. Within 60 days of receipt of comments from the Secretary of HHS, Georgia will submit to the Secretary of HHS the final Annual Report for the waiver year. The draft and final Annual Reports will be published on the State's public website within 30 days of submission to and approval by the Secretary of HHS.

The annual report, will include, but not be limited to:

- The current state and the progress of the Section 1332 Waiver to date
- Data on the State's compliance with the guardrails in PPACA 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)
- 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
- A summary of the 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
- Funding received and subsidies paid

Section VII: Implementation Plan and Timeline

The State will engage in ongoing collaboration across state agencies, CMS, carriers, and brokers in order to minimize disruption and streamline the transition to Georgia Access for consumers in PY 2023. The State will work with CMS, carriers, and web-brokers to develop a communication and noticing strategy to inform current FFE consumers of their options for enrollment in PY 2023. The State will develop a robust implementation plan and centralize project management responsibilities within the Office of Health Strategy and Coordination to coordinate activities.

The implementation plan will include key activities, timelines, and milestones for:

- Detailed program design
- IT implementation
- Communications with carriers and brokers
- Transition plan for current FFE auto-reenrolled consumers

- Transition communications and activities for current consumers, including auto-reenrolled consumers
- Transition communications for residents, stakeholders, and community organizations
- Budgeting and funding
- Reporting

The following table outlines the estimated high-level implementation timeline and key milestones for Georgia Access.

Table 11. High-Level Implementation Timeline for Georgia Access Model

End Date	Milestone
Section 1332 Waiver Application Process	
11/04/2019	Publish draft Section 1332 Waiver on the State website and notify the public
11/04/2019	Begin public comment period
12/03/2019	Complete public hearings facilitated in six locations across the State
12/03/2019	End public comment period
12/23/2019	Submit final Section 1332 Waiver application to HHS and Treasury
02/05/2020	Send letter to CMS requesting a separate review of reinsurance and pausing review of Georgia Access
07/09/2020	Publish modified draft Section 1332 Waiver on state website and notify public
07/09/2020	Begin second public comment period
07/23/2020	Complete second set of public hearings and end comment period
07/31/2020	Submit modified waiver application to HHS and Treasury
10/09/2020	Target to receive approval from HHS and Treasury
Legal Authority and Governance	
03/27/2019	Establish appropriate state legal authority with signing of Patients First Act
04/25/2019	Establish Office of Health Strategy and Coordination authorized by HB 186
08/03/2020	Establish governance structure to support implementation
Design	
01/01/2021	Complete detailed program design
04/01/2021	Complete implementation plan
05/01/2021	Develop noticing strategy for issuers and the State
05/01/2021	Define approval requirements for brokers and carriers selling products
05/01/2021	Finalize program policies
Information Technology (IT)	
04/01/2021	Develop initial IT implementation roadmap
05/01/2021	Define requirements for integration with web-brokers and carriers
06/01/2021	Complete requirements validation
07/01/2021	Complete system detailed design
03/01/2022	Complete system development
07/01/2022	Receive enrollment data from CCIIO
08/01/2022	Complete system integration and user testing
08/01/2022	Complete system security and compliance reviews
10/01/2022	Complete system implementation
11/01/2022	System go-live

Staffing and Operations	
11/09/2020	Identify staffing and operational needs for the program
11/09/2020	Define operating model
Funding for PY 2021 and 2022 (PYs 2023 – 2026 will follow the same yearly cadence)	
08/01/2020	Governor begins drafting budget for SFY 2022, including implementation costs
01/15/2021	Governor submits SFY 2022 Budget Report to the Legislature (date subject to change based on when the General Assembly convenes)
04/15/2021	General Assembly passes Appropriations Bill for SFY 2022 (date subject to change)
04/15/2021	Governor seeks legislative authority to implement a state user fee in lieu of the Healthcare.gov user fee for the Georgia Access Model beginning in PY 2023
08/01/2022	Governor begins drafting budget for SFY 2023, taking in to account estimated increases/decreases in federal APTC/PTC expenditures
09/15/2021	Send HHS and Treasury final Second Lowest Cost Silver Plan rates
01/01/2022	Receive projections for federal pass through funding for PY 2022
01/15/2022	Governor submits SFY 2023 Budget Report to the Legislature (date subject to change based on when the General Assembly convenes)
04/15/2022	General Assembly allocates funding through the Appropriations Bill for SFY 2023 Budget (date subject to change)
04/30/2022	Receive federal pass through funding for PY 2022
07/01/2022	Begin SFY 2023
Communication and Outreach	
04/01/2021	Define coordination needs and communication strategy with carriers and brokers
07/1/2021	Develop communication strategy and plan for transition in PY 2022
06/01/2022	Develop transition communications for current consumers, including auto-reenrolled consumers
06/01/2022	Develop transition communications for the public and community organizations
Year One Implementation	
11/01/2022	Open enrollment begins
01/01/2023	Health coverage effectuated for PY 2022

Section VIII: Public Notice, Comment Process, and Communications Plan

The State conducted two public comment periods for the Reinsurance Program and Georgia Access Model 1332 Waiver application announced by Governor Kemp on October 31, 2019. The first comment period was for the draft 1332 Waiver application and notice from the Governor released on November 4, 2019. The first public comment period was open for 30 days and closed on December 3, 2019. For that comment period, the State conducted six public hearings in geographically dispersed regions of the State. The state responded to the comments received and incorporated changes to the waiver application, which was then submitted to the Departments of Health and Human Services and Treasury on December 23, 2019. A summary of the comments received in the first public comment period may be found in Appendix H: Public Comments from Initial Waiver Application Submission. It should be noted that some of the questions and answers from the first comment period outlined in Appendix H no longer pertain to this modified waiver application as some of the comments do not apply to the modified waiver. Appendix H

appears in its original form from the first comment period and is attached for reference only, the comments do not reflect this modified waiver submission.

In addition, at the onset of waiver development the State convened a group of stakeholders comprised of individuals and organizations representing a variety of interests across Georgia's healthcare landscape. The stakeholders were engaged during the waiver development process when considering changes to the individual marketplace to increase access across the state, lower the cost of healthcare for working Georgians, and improve quality of care. The State emailed the broad range of interested parties/stakeholders about the public notice and waiver application, and the State assembled the stakeholder group on November 4, 2019 to provide an overview of the initial draft waiver. This meeting was open to the public. A list of stakeholders notified about this meeting is included as Appendix E of this waiver application, and a copy of the stakeholder presentation is included as Appendix F of this waiver application. The initial draft 1332 Waiver was also presented to a public legislative committee hearing, the Joint House and Senate Health and Human Services Committee, on November 5, 2019. This legislative hearing was open to the public, livestreamed online, and is available for viewing at https://medicaid.georgia.gov/patientsfirst.

During the CMS review process of the State's 1332 waiver application, the national and local landscape changed dramatically. To ensure that the State is in the best financial and operational position to meet the needs of Georgia residents, Georgia modified the waiver and made minor changes to ensure success. The changes to the waiver were incorporated into the draft modified waiver and released to Georgia residents on July 9, 2020 to provide an opportunity for public comment on the minor modifications. The comments collected in the second comment period pertain to this final waiver submission. The following provides a summary of the comments received during the second public comment period conducted by the State from July 9, 2020 through July 23, 2020 regarding the proposed modifications to its 1332 waiver application.

Public Notice

Georgia used multiple channels to notify the public about the 1332 Waiver application and provided ample opportunity for the public to offer feedback both via oral testimony and written comment. The State's public notice and public comment procedures are informed by, and comply with, the requirements specified in 31 CFR 33.112 and 45 CFR 155.1312. The State received federal approval to provide for virtual attendance for the public hearings given the COVID-19 pandemic. Notice from the Governor was released on July 9, 2020 to commence a 15-day state public comment period which closed on July 23, 2020. The notice was distributed statewide. The public notice, including a comprehensive description of the application as well as changes that have been made from the initial waiver application, the modified draft waiver applications, and the times and locations of the public hearings were posted a dedicated webpage for the Patients First Act at, https://medicaid.georgia.gov/patientsfirst. The notice was shared via multiple social media platforms, including Facebook and Twitter.

Electronic copies of the modified waiver application and all presentations related to the 1332 Waiver were available on the Patients First Act webpage throughout the comment period. The public notice provided instruction for any individual to submit written feedback to the State via

an electronic intake portal on the dedicated webpage or by mail. A full copy of the public notice is included as Appendix D of this waiver application.

Public Comment Process

The State held two public hearings in Atlanta with options for in-person and virtual attendance through WebEx where oral comments were received on Georgia's modified Section 1332 Waiver Application. These hearings took place as follows:

- **Atlanta, Georgia**
  Monday, July 13, 2020, 10:00 a.m. EDT
  2 Peachtree Street
  2 Peachtree St, 5th Floor Boardroom
  Atlanta, GA 30303

- **Atlanta, Georgia**
  Wednesday, July 22, 2020, 10:00 a.m. EDT
  2 Peachtree Street
  2 Peachtree St, 5th Floor Boardroom
  Atlanta, GA 30303

The two public hearings followed the same format, beginning with an overview of the 1332 Waiver proposal and modifications since the original waiver application submission, followed by the collection of oral public comment. A court reporter transcribed and entered into the public record all verbal comments presented during each of the public hearings. The transcripts from each of the public hearings are available on a dedicated webpage on the Patients First Act website, https://medicaid.georgia.gov/patientsfirst. A sign language interpreter was available at all the hearings for the individuals present and individuals requiring special accommodations, including auxiliary communicative aids and services, during these meetings could request such accommodations in advance of the meeting. A brief overview of the hearings is provided below. The hearing presentation is included as Appendix G.

Summary of Public Hearings

A total of 53 individuals attended the two hearings virtually hosted by the State and five gave oral testimony. Attendance included representation from the following organizations: Advocate for Responsible Care, Alkermes, Alliant Health Plans, American Lung Association, Augusta University, Georgia Health News, Georgia Hospital Association, Georgians for a Healthy Future, Nelson Mullins, and Otsuka. A copy of the oral testimony may be found on a dedicated webpage on *Patients First Act* website, https://medicaid.georgia.gov/patientsfirst.

Total Comments Received

The State received 611 comments in total during the public comment period, including 603 comments submitted online, three mailed comments, and five oral testimonies. The State reviewed all comments and appreciates the public input received from Georgia residents and interested organizations. Following the public comment period, all written and oral comments were cataloged, summarized, and organized. The State received and considered all comments

equally. Additional information regarding the comments received regarding the 1332 Waiver, as well as the State's response to those comments is outlined below.

The State received 606 written comments, including comments provided by individuals and the following organizations: American Cancer Society Action Network, American Diabetes Association, American Heart Association, American Lung Association in Georgia, Association of Web-based Health Insurance Brokers, Atlanta Legal Aid Society, Cystic Fibrosis Foundation, Epilepsy Foundation, Georgia Association of Health Underwriters, Georgia Budget and Policy Institute, Georgia Equality, Georgia Hospital Association, Georgians for a Healthy Future, Health Partners, Hemophilia Federation of America, Kaiser Foundation Health Plan of Georgia, Leukemia and Lymphoma Society, Mercy Care, National Hemophilia Foundation, National Multiple Sclerosis Society, National Organization for Rare Disorders, National Patient Advocate Foundation, Protect Our Care Georgia.

The following summary includes the testimony offered at the public hearings, the comments received by the State through the comment portal, and those received through the mail regarding the Georgia Access Model. To address public input, comments are summarized by topic and are followed by a response. A complete collection of all public comments submitted is available on a dedicated webpage on *Patients First Act* website, https://medicaid.georgia.gov/patientsfirst.

Georgia Access Model Comments

Comments received addressed multiple provisions in the waiver application. The comments received about the Georgia Access Model have been categorized into the following topics:

- Privatized Model
- Consumer Access
- Protections for Individuals with Pre-Existing Conditions
- Operational Considerations
- Other

Privatized Model

Summary of Comments: Several commenters expressed concerns that Georgia's network of web-brokers and carriers providing the enrollment channels for healthcare coverage will create adverse market conditions for individuals. Others expressed concerns that the private market will be incentivized to present consumers with biased information or steer them to certain plans that are not right for them. Others encouraged the State to stay on Healthcare.gov and to consider public means for enrollment.

State Response: The Center for Consumer Information and Insurance Oversight (CCIIO) currently certifies Direct Enrollment (DE) and Enhanced Direct Enrollment (EDE) vendors to operate on behalf of Healthcare.gov, similar to the front-end experience in Georgia Access. The State plans to leverage the certification requirements established by CCIIO for participation in the Georgia Access Model, which includes consumer protection requirements. For example, to ensure that consumers have comprehensive and secure access to available plan options, participating web-brokers will be required to display all available QHPs to the individual and clearly differentiate which plans are APTC/PTC eligible and which are not. Web-brokers will be

prohibited from providing financial incentives for specific plan selection in alignment with federal regulations. Today, web-brokers are incentivized to provide the best possible consumer experience to retain their consumer base year-over-year. Brokers will continue to be compensated as is the common practice in the market today.

Consumer Access
Summary of Comments: Commenters expressed concerns that the Georgia Access Model will be more difficult and complicated to navigate for consumers than the FFE. Commenters also highlighted concerns that it would be difficult for consumers to navigate multiple websites to find all the plans available and access the information needed to make decisions. Others expressed concerns that some individuals would fall through the cracks during the transition from the FFE.

State Response: The Georgia Access Model creates multiple entry points consumers to shop for and select a plan that best meets their needs and gain access to APTCs, if eligible. Georgia has designed a process that provides individuals additional enrollment options and will simplify the enrollment process through an enhanced customer service shopping experience, including plan selection, and enrollment. To improve access, OCI will provide consumers with a single source of information regarding where to access and enroll in health insurance coverage. Through the existing OCI website, the State will provide a list of approved carriers and web-brokers participating in Georgia Access. In addition, if an individual attempts to enroll through the FFE who is a resident of the State of Georgia, HealthCare.gov, the existing FFE platform, will provide the consumer with a link to the State OCI website. This will be part of the transition strategy that is intended to provide consumers with the necessary information to shift from using the FFE to enrolling through the new multi-platform, multi-channel enrollment options available via Georgia Access. Web-brokers will leverage best practices and leading industry e-commerce standards to continually innovate and improve upon the customer service experience. The State is confident consumers will see an enhanced and simplified consumer experience in the Georgia Access Model compared to the FFE as web-brokers offer additional tools and decision support to help consumers navigate choices. Web-brokers often provide enhanced services, such as multi-lingual support and tailored search functions.

Protections for Individuals with Pre-Existing Conditions:
Summary of Comments: Some commenters expressed the importance of providing access to QHPs for individuals with pre-existing conditions and maintaining the integrity of EHBs. Others expressed concerns that PPACA-compliant plans will no longer be available in the State. Some commented that other types of plans, such as Short-Term Limited Duration Plans, do not offer comprehensive coverage.

State Response: Consumers will have access to the same metal level QHPs and Catastrophic Plans sold in the current FFE model. Today, consumers also have access to non-QHPs available within the State but have to shop on different enrollment channels to see the availability of these plans. Under the Georgia Access Model, consumers will be able to view and access all plans available to them in the State without having to navigate to multiple sites in order to identify the

plan that best meets their needs. The State is not seeking waiver authority to certify and provide subsidies for new types of non-QHPs in the modified waiver application.

Operational Considerations:
Summary of Comments: Some commenters expressed concerns that local brokers and agents have been left out of the Georgia Access Model.

State Response: The State recognizes the critical role that local brokers and agents have in the healthcare ecosystem to assist individuals with selecting a plan that is right for them. It is not the intention of the State to exclude this group from the Georgia Access Model. Indeed, the State envisions that many of the same enrollment channels that local brokers and agents use today will continue to exist within Georgia Access. The State looks forward to engaging representatives in stakeholder conversations on the detailed operations and communications of the Georgia Access Model.

Summary of Comments: Some commenters recommended that the State build upon the technical architecture and compliance structures already in place for the FFE EDE program.

State Response: It is the State's intention to leverage much of the technical standards and federal audit requirements already in place for EDE vendors to make it easy for private market entities to participate in the Georgia Access Model.

Summary of Comments: Some commenters mentioned that web-brokers may not have appointments with every QHP issuer in Georgia which could limit consumer choice. Commenters provided several recommendations to the State on how to address this issue, including making standard QHP data available for all web-brokers; permitting web-brokers to notify a consumer if they are unable to facilitate the enrollment; and encouraging all QHP issuers to appoint approved web-brokers.

State Response: It is the State's intention to leverage much of the technical standards and federal audit requirements to make it easy for private market entities to participate in the Georgia Access Model. The State appreciates and will consider the operational recommendations provided.

Other:
Summary of Comments: Some commenters were generally opposed to the waiver, suggesting it does not meet the needs of citizens. Several suggested the State should expand Medicaid to 138% of the FPL instead.

State Response: Section 1332 Waivers address the individual health insurance market and do not address Medicaid. The authorizing legislation, *Patients First Act*, codified at OCGA §33-1-26 authorizes the Governor to submit a Section 1332 Waiver. OCGA §49-4-142.3 authorizes DCH to submit an 1115 Medicaid waiver for new populations up to 100% of the FPL. The legislation does not permit Medicaid expansion to newly eligible populations up to 138% of the FPL.

Summary of Comments: Some commenters expressed concerns that the 15-day public comment period was not adequate to gather public input.

State Response: Georgia has provided the public with two opportunities to comment on its Section 1332 Waiver. The first public comment period was held for 30 days with six public hearings conducted across the State. The comments collected at that time were carefully reviewed and several changes were made to the waiver application that was submitted to HHS and Treasury on December 23, 2019. Since the initial waiver application, the national and state healthcare landscape changed and Georgia, like most states across the country, is experiencing unanticipated resource constraints that emerged as a result of the COVID-19 pandemic. To address these changes the State made some minor changes to its waiver application to begin the Reinsurance Program in PY 2022 and to simplify operational aspects of the proposed Georgia Access Model. The State removed several components of the Georgia Access Model in the original application, including the removal of Eligible non-QHPs and state subsidies, so that the updated model more closely resembles aspects of today's market. To give the public an opportunity to comment on these minor modifications, the State opted to open an additional 15-day public comment period prior to submitting the modified waiver application. The State consulted with CCIIO prior to implementing the 15-day comment period and received its concurrence with the approach.

Summary of Comments: Some commenters expressed concerns with changing access to healthcare coverage in the midst of the COVID-19 pandemic. Others highlighted that the pandemic has exacerbated the uninsured crisis in the State.

State Response: The State appreciates the concern with the adequacy of healthcare coverage and access to care with the COVID-19 pandemic. The pandemic highlights the critical need to innovate within the market to better reach consumers and lower the uninsured rate across the State. The transition from the FFE will not occur until open enrollment in Fall of 2021, which is expected to be post pandemic.

Tribal Consultation

The State of Georgia does not have any Federally recognized Indian American tribes within its borders and thus has not established a separate process for consultation with any tribes with respect to this Section 1332 Waiver application. The State intends to maintain the eligibility and cost-sharing exemptions provided to American Indians for QHPs under the FFE.

Section IX: Additional Information

Administrative Burden for Individuals, Issuers, or Employers

The Georgia Access Model will not cause additional administrative burden to individual consumers. To the contrary, consumers seeking to gain coverage through Georgia Access will receive assistance that is more localized and tailored to regional and individual needs through private entities. Georgia has designed a process that provides individuals more enrollment options and simplifies the enrollment process through an enhanced customer service shopping experience, selection, and enrollment. OCI will maintain a webpage linking to participating carriers and web-brokers within the Georgia Access Model to support consumers.

Private entities – web-brokers and carriers – will assume additional administrative burden with the Georgia Access Model as they will be operationally and financially responsible for

consumer-facing services, including consumer outreach and education, decision support, plan selection and enrollment, and issue resolution. Many of these entities already provide these services today and the additional administrative burden is expected to be minimal. Participating entities will experience additional administrative burden as a result of the development and implementation of back-office functionality to interface with the State's eligibility calculation technology system and adhere to data security standards.

The Georgia Access Model is not expected to impact employers and no changes have been modeled within the actuarial analysis. Employers with 50 or more full-time or full-time equivalent (FTE) employees will still be required to provide affordable, minimum values health insurance coverage as defined by the PPACA. Employers who fail to do so will continue to be subject to the Employer Shared Responsibility Payment (ESRP) assessed by the IRS.

For information on state and federal responsibilities and administrative burden, see Part II: Georgia Access Section X: Administration.

Impact of PPACA Provisions Not Being Waived

The Georgia Access Model is not projected to impact other provisions of PPACA which are being waived. It will not impact Section 4980H of the IRS "Shared Responsibility for Employers Regarding Health Coverage" as the IRS will continue to assess and collect penalties from large employers who fail to provide affordable, minimum essential coverage healthcare coverage as required by the PPACA.

Impact on Residents Who Need to Obtain Healthcare Services Out-of-State

Because Georgia shares borders with Alabama, Florida, North Carolina, South Carolina, and Tennessee insurer service areas and networks that cover border counties generally include providers in those states, especially in areas where the closest large hospital system is in the border state. Granting this waiver request will not impact insurer networks or service areas that provide coverage for services performed by out-of-state providers.

Providing the Federal Government Information to Administer the Waiver

Georgia will provide the federal government all necessary information to administer the waiver as defined by the reporting requirements (see Part II: Georgia Access Section VI). In addition, the State will keep CMS apprised of substantial changes to the program or timelines for implementation.

Guarding Against Fraud, Waste, and Abuse

Georgia is committed to administering the Georgia Access Model with the appropriate oversight and processes to guard against fraud, waste, and abuse. Implementation and management of the Georgia Access Model will require coordination and effective communication across multiple state agencies, private sector entities, and residents.

In addition, Georgia is committed to protecting the integrity and confidentiality of consumers' personal information. The security of data shared between systems is paramount. Georgia will put the appropriate controls in place with private sector entities to ensure the accurate and secure integration of data.

OCI will continue to be responsible for the activities it oversees today, including regulating and ensuring compliance of licensed plans sold within the State; monitoring the solvency of a issuers; performing market conduct analysis, rate setting, examinations, and investigations; and providing consumer protection services. The State will monitor web-brokers to ensure compliance with all state requirements, including the provision of plan and APTC information to help consumers to make informed choices.

The federal government will be responsible for calculating the APTC/PTC savings and pass through funding from this waiver and ensuring the waiver continues to meet statutory guardrails.

Information on Groups Convened to Develop This Waiver

The State formed an Advisory Council of healthcare stakeholders across the State to inform the waiver development. Hospital systems, carriers, associations, advocacy groups, government agencies, and legislators were represented on the Advisory Council. A kick-off meeting was conducted on July 18, 2019 and materials made available to the public on https://medicaid.georgia.gov/patients-first-act.

The State also held a series of meetings with carriers from August 18 – 21, 2019 to better understand the current challenges in the individual market.

Section X: Administration

The following point of contact will be responsible for ensuring compliance with all Section 1332 Waiver provisions, submitting required reports, and serving as the primary contact for all waiver-related issues and concerns. Should this contact change, the State will inform CMS and the Treasury Department.

Name: Ryan Loke
Title: Office of the Governor, Special Projects Coordinator
Telephone Number: 404-606-6031
Email address: Ryan.Loke@georgia.gov

Waiver of Sections 1311, in part to implement the Georgia Access Model will result in additional administrative responsibility for the State of Georgia, including APTC calculation and oversight and compliance of private sector entities. These new responsibilities are anticipated to be less than 1% of the full cost of the program and will mainly reside within the Office of Health Strategy and Coordination and OCI. The State will largely rely on making enhancements to existing technology platforms and business processes for the majority of the new financial, regulatory, and eligibility-related responsibilities. Moreover, when taking into consideration the program's high-level of responsiveness to state-specific health coverage needs, the benefit to Georgians outweighs the burden of the additional tasks and processes required.

The federal government will continue to host and operate the FDSH for purposes of subsidy eligibility data validation; however, because data validation services are provided to all states that currently operate state-based marketplaces as well as to state Medicaid eligibility systems at no charge to states, Georgia expects the federal government's cost and administrative burden in this regard to remain fixed. The State will calculate consumers' APTC/PTC eligibility which will

be displayed to consumers when shopping and selecting plans on the private entity platforms. The State will transmit enrollment and APTC eligibility information to CMS to continue to issue APTCs to carriers and to the IRS for PTC reconciliation following the same processes that are in place today. In addition, essential functions related to APTC issuance and PTC reconciliation will still continue to be administered by CMS and the IRS as it does today. Georgia anticipates no additional administrative impact to the federal government in this regard. The following table provides a high-level overview of the responsibilities and aligned entities in the Georgia Access Model.

Table 12: Responsibilities by Entity in Georgia Access Model

	Carriers	Web-Brokers	Individual Brokers	State	Federal
Carrier and Broker Licensing				X	
Oversight of Private Entities participating in Georgia Access				X	
Plan Shopping and Selection	X	X	X		
Customer Education and Outreach	X	X	X		
Customer Service	X	X	X		
Plan Enrollment	X				
QHP Eligibility Verification				X	
APTC Eligibility Verification and Calculation				X	
Eligibility Appeals				X	
Transmission of Enrollment and APTC Information to CMS/IRS				X	
Issuance of APTC Payments					X
Reconciliation of PTCs	X				X
Call Center Operations	X	X			
Complaint Line				X	
Verification of Citizenship, Residency, and Identity				X (FDSH interface)	

OFFICE OF LIEUTENANT GOVERNOR

240 STATE CAPITOL

ATLANTA, GEORGIA 30334

GEOFF DUNCAN
LIEUTENANT GOVERNOR

December 2, 2019

Mr. Ryan Loke
Office of the Governor
203 State Capitol
Atlanta, Georgia 30334

Dear Ryan:

As the public comment period for the Patients First Act Waiver Demonstration concludes, I wanted to reiterate my continuing support of this effort by Governor Kemp. Our existing healthcare environment in Georgia is burdened by systemic defects. As such, improved access and lower costs for quality healthcare will be permanently achieved only with purposeful, structural change. The innovative and unique proposed integration of the Georgia Pathways to Coverage Waiver with the State Relief and Empowerment Waiver provides an exciting roadmap for effective system reform and necessary relief for patients.

The Patients First Act is an integral part of a larger policy initiative to empower Georgians to improve health. Other legislation enacted in 2019 and legislative opportunities likely to present themselves in the upcoming session of the Georgia General Assembly no doubt illuminate not only the critical importance of our work to the health and welfare of our State, but as importantly underscore the necessity of the novel framework embodied collectively in the waiver proposals. The Department of Treasury and Centers for Medicare & Medicaid Services should act as quickly as possible to grant the application, as approval of the Patients First Act Waiver Demonstration would provide Georgia with necessary tools and flexibility to meet the healthcare needs of its citizens in the 21st Century.

Sincerely,

Geoff Duncan
Lt. Governor

(404) 656-5030 • https://ltgov.georgia.gov

Senate Bill 106

By: Senators Tillery of the 19th, Strickland of the 17th, Miller of the 49th, Dugan of the 30th, Kennedy of the 18th and others

AS PASSED

A BILL TO BE ENTITLED

AN ACT

To amend Article 7 of Chapter 4 of Title 49 and Title 33 of the Official Code of Georgia Annotated, relating to medical assistance and insurance, respectively, so as to authorize the Department of Community Health to submit a Section 1115 waiver request to the United States Department of Health and Human Services Centers for Medicare and Medicaid Services; to authorize the Governor to submit a Section 1332 innovation waiver proposal to the United States Secretaries of Health and Human Services and the Treasury; to provide for implementation of approved Section 1332 waivers; to provide for expiration of authority; to provide for legislative findings; to provide for related matters; to provide for a short title; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I

SECTION 1-1.

This Act shall be known and may be cited as the "Patients First Act."

PART II

SECTION 2-1.

Article 7 of Chapter 4 of Title 49 of the Official Code of Georgia Annotated, relating to medical assistance generally, is amended by adding a new Code section to read as follows:

"49-4-142.3.

The department shall be authorized to submit a waiver request, on or before June 30, 2020, to the United States Department of Health and Human Services Centers for Medicare and Medicaid Services pursuant to Section 1115 of the federal Social Security Act, which may include an increase in the income threshold up to a maximum of 100 percent of the federal poverty level. Further, upon approval of the waiver, the department shall be authorized to

take all necessary steps to implement the terms and conditions of the waiver without any further legislative action."

PART III

SECTION 3-1.

The General Assembly finds that:

(1) For Georgians in recent years, private sector health insurance choices have decreased and the costs of insurance coverage have increased;

(2) Through the granting of Section 1332 innovation waivers, the federal government allows states to pursue innovative strategies for providing their residents with access to high quality, comprehensive, and affordable health insurance while retaining the basic protections for consumers; and

(3) Such waivers may be narrowly tailored to address specific problems and may address, among other things, the creation of state reinsurance programs, high-risk health conditions, changes to premium tax credits and cost-sharing arrangements, consumer-driven health care accounts, the creation of new health insurance products, the implementation of health care delivery systems, or the redefinition of essential health benefits.

SECTION 3-2.

Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended in Chapter 1, relating to general provisions, by adding a new Code section to read as follows:

"33-1-26.

(a) The Governor is hereby authorized to submit one or more applications to the United States Secretaries of Health and Human Services and the Treasury for waiver of applicable provisions of the federal Patient Protection and Affordable Care Act (P. L. 111-148) under Section 1332 with respect to health insurance coverage or health insurance products. Any such submission to obtain a state innovation waiver may include multiple waiver submissions. On or after January 1, 2020, upon approval of one or more waivers, the state is authorized to implement such waiver or waivers as provided under Section 1332 of such federal act in a manner consistent with state and federal law.

(b) The authority granted to the Governor in subsection (a) of this Code section to submit one or more applications shall expire on December 31, 2021."

PART IV

SECTION 4-1.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 4-2.

All laws and parts of laws in conflict with this Act are repealed.

House Bill 186 (AS PASSED HOUSE AND SENATE)

By: Representatives Stephens of the 164th, Gilliard of the 162nd, Petrea of the 166th, Hitchens of the 161st, Stephens of the 165th, and others

A BILL TO BE ENTITLED

AN ACT

To amend Title 31 of the Official Code of Georgia Annotated, relating to health, so as to revise provisions relating to certificate of need requirements; to revise and provide for new definitions relative to health planning and development; to prohibit certain actions relating to medical use rights; to revise provisions regarding when certificate of need is required; to repeal a provision relating to the establishment of set times in which certain application for capital projects may be accepted; to authorize destination cancer hospitals to be converted to general cancer hospitals; to revise and provide for additional exemptions to certificate of need requirements; to provide for requests and objections to letters of determination that an activity is exempt or excluded from certificate of need requirements; to provide for annual reports to be made publicly available; to provide for improvements in the state's health care system and coordination of state health related entities; to provide for legislative findings and declarations; to provide for definitions; to provide for the creation of the Office of Health Strategy and Coordination; to provide for a director of health strategy and coordination; to provide for advisory committees; to provide for reporting requirements by certain state boards, commissions, committees, councils, and offices to the Office of Health Strategy and Coordination; to provide for the Georgia Data Access Forum; to provide for its composition and purpose; to amend other provisions of the Official Code of Georgia Annotated, so as to provide for conforming changes; to provide for a short title; to revise provisions relating to the sale or lease of a hospital by a hospital authority; to provide for the investment of funds by certain hospital authorities; to amend Code Section 48-7-29.20 of the Official Code of Georgia Annotated, relating to tax credits for contributions to rural hospital organizations, so as to provide for transparency; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

rural hospital organization of all contributions made, all tax credits received by individual and corporate donors, and all amounts received by third parties that solicited, administered, or managed donations pertaining to this Code section and Code Section 31-8-9.1.

~~(i)~~(k) This Code section shall stand automatically repealed on December 31, ~~2021~~ 2024."

PART II

SECTION 2-1.

This part shall be known and may be cited as "The Health Act."

SECTION 2-2.

Title 31 of the Official Code of Georgia Annotated, relating to health, is amended by adding a new chapter to read as follows:

"CHAPTER 53

ARTICLE 1

31-53-1.

The General Assembly finds that Georgia faces population and community health challenges. The current health infrastructure must be adapted to adequately integrate state and private resources in a manner that will serve to maximize the state's goals, including improved access to care, effective health management strategies, and cost control measures. All components of the state's health care system must be more strategic and better coordinated. The General Assembly, therefore, declares it to be the public policy of the state to unite the major stakeholders of the state's health care system under a strategic vision for Georgia. The public policy shall be realized through an agency focused on strategic health care management and coordination.

31-53-2.

As used in this chapter, the term:

(1) 'Director' means the director of health strategy and coordination established pursuant to Code Section 31-53-4.

(2) 'Office' means the Office of Health Strategy and Coordination established pursuant to Code Section 31-53-3.

31-53-3.

(a) There is established within the office of the Governor the Office of Health Strategy and Coordination. The objective of the office shall be to strengthen and support the health care infrastructure of the state through interconnecting health functions and sharing resources across multiple state agencies and overcoming barriers to the coordination of health functions. To this end, all affected state agencies shall cooperate with the office in its efforts to meet such objective. This shall not be construed to authorize the office to perform any function currently performed by an affected state agency.

(b) The office shall have the following powers and duties:

(1) Bring together experts from academic institutions and industries as well as state elected and appointed leaders to provide a forum to share information, coordinate the major functions of the state's health care system, and develop innovative approaches for lowering costs while improving access to quality care;

(2) Serve as a forum for identifying Georgia's specific health issues of greatest concern and promote cooperation from both public and private agencies to test new and innovative ideas;

(3) Evaluate the effectiveness of previously enacted and ongoing health programs and determine how best to achieve the goals of promoting innovation, competition, cost reduction, and access to care, and improving Georgia's health care system, attracting new providers, and expanding access to services by existing providers;

(4) Facilitate collaboration and coordination between state agencies, including but not limited to the Department of Public Health, the Department of Community Health, the Department of Behavioral Health and Developmental Disabilities, the Department of Human Services, the Department of Economic Development, the Department of Transportation, and the Department of Education;

(5) Evaluate prescription costs and make recommendations to public employee insurance programs, departments, and governmental entities for prescription formulary design and cost reduction strategies;

(6) Maximize the effectiveness of existing resources, expertise, and opportunities for improvement;

(7) Review existing State Health Benefit Plan contracts, Medicaid care management organization contracts, and other contracts entered into by the state for health related services, evaluate proposed revisions to the State Health Benefit Plan, and make recommendations to the Department of Community Health prior to renewing or entering into new contracts;

(8) Coordinate state health care functions and programs and identify opportunities to maximize federal funds for health care programs;

(9) Oversee collaborative health efforts to ensure efficient use of funds secured at the federal, state, regional, and local levels;

(10) Evaluate community proposals that identify local needs and formulate local or regional solutions that address state, local, or regional health care gaps;

(11) Monitor established agency pilot programs for effectiveness;

(12) Identify nationally recognized effective evidence based strategies;

(13) Propose cost reduction measures;

(14) Provide a platform for data distribution compiled by the boards, commissions, committees, councils, and offices listed in Code Section 31-53-7; and

(15) Assess the health metrics of the state and recommend models for improvement which may include healthy behavior and social determinant models.

31-53-4.

(a) There is created the position of director of health strategy and coordination who shall be the chief administrative officer of the office. The Governor shall appoint the director who shall serve at the pleasure of the Governor.

(b) The director shall have such education, experience, and other qualifications as determined by the Governor.

(c) The director shall consult with the Governor on determining state priorities and adoption of a state strategy.

(d) The director may contract with other agencies, public and private, or persons as he or she deems necessary for carrying out the duties and responsibilities of the office.

(e) The director may employ such other professional, technical, and clerical personnel as deemed necessary to carry out the purposes of this chapter.

31-53-5.

(a) The director shall have the power to establish and abolish advisory committees as he or she deems necessary to inform effective strategy development and execution.

(b) Membership on an advisory committee shall not constitute public office, and no member shall be disqualified from holding public office by reason of his or her membership.

(c) An advisory committee shall elect a chairperson from among its membership.

(d) Members of an advisory committee shall serve without compensation, although each member of an advisory committee shall be reimbursed for actual expenses incurred in the performance of his or her duties from funds available to the office. Such reimbursement shall be limited to all travel and other expenses necessarily incurred through service on the advisory committee, in compliance with the state's travel rules and regulations; provided,

however, that in no case shall a member of an advisory committee be reimbursed for expenses incurred in the member's capacity as the representative of another state agency.

(e) Policy proposals and strategies under consideration that arise from the efforts of an advisory committee must be presented to all members of the advisory committee with an opportunity to comment.

(f) An advisory committee shall:

(1) Meet at such times and places as it shall determine necessary or convenient to perform its duties. An advisory committee shall also meet on the call of the director or the Governor;

(2) Maintain minutes of its meetings;

(3) Identify and report to the director any federal laws or regulations that may enable the state to receive and disburse federal funds for health care programs;

(4) Advise the director if it needs additional members or resources to conduct its defined duties; and

(5) Provide a final report with supporting documentation to the director.

31-53-6.

(a) The office shall compile reports received from the following boards, commissions, committees, councils, and offices pursuant to each such entity's respective statutory reporting requirements:

(1) The Maternal Mortality Review Committee;

(2) The Office of Women's Health;

(3) The Commission on Men's Health;

(4) The Renal Dialysis Advisory Council;

(5) The Kidney Disease Advisory Committee;

(6) The Hemophilia Advisory Board;

(7) The Georgia Council on Lupus Education and Awareness;

(8) The Georgia Palliative Care and Quality of Life Advisory Council;

(9) The Georgia Trauma Care Network Commission;

(10) The Behavioral Health Coordinating Council;

(11) The Department of Public Health on behalf of the Georgia Coverdell Acute Stroke Registry;

(12) The Office of Cardiac Care; and

(13) The Brain and Spinal Injury Trust Fund Commission.

(b) The office shall maintain a website that permits public dissemination of data compiled by the boards, commissions, committees, councils, and offices listed in subsection (a) of this Code section.

Appendix C: Actuarial and Economic Analysis

State of Georgia

Section 1332 Waiver, PYs 2022 – 2026

Actuarial and Economic Analysis

July 31, 2020

Table of Contents

Section 1: State of Georgia 1332 Waiver Background

The State of Georgia is submitting a Section 1332 State Relief and Empowerment Waiver (1332 Waiver or Waiver) aiming to reduce premiums, increase coverage, and promote a more competitive individual health insurance market in Georgia through a two-part approach. Part I is the introduction of a statewide reinsurance program beginning in Plan Year (PY) 2022. Part II is the transition to the Georgia Access Model, beginning in PY 2023.

Section 1.1 – Part I Reinsurance Program

Georgia seeks approval of its 1332 Waiver for Part I, implementation of a state reinsurance program for PYs 2022 – 2026. The Reinsurance Program would pay for a portion of claims for high-cost members in the individual health insurance market. The portion of claims to be paid would be determined by setting parameters, defined below:

- **Attachment Point:** A threshold, above which a member's annual total claims would be eligible for reimbursement by the Reinsurance Program.
- **Cap:** The maximum of a member's annual total claims that would be eligible for reimbursement.
- **Coinsurance:** The percent of a member's annual total claims paid by the Reinsurance Program.

The Reinsurance Program would pay a percentage of claims above the attachment point and up to a cap. Covered claims would reduce the total costs paid by carriers in the individual market. Therefore, any reductions to claims costs due to Reinsurance would also reduce premiums.

The goal of the Reinsurance Program is to stabilize the individual market to reduce premiums and incentivize carriers to offer plans in more regions across the State. Higher coinsurance rates will be applied to higher cost regions to bring the premiums closer to the rates available in lower cost regions of the State. The net impact on APTC passthrough due to the Reinsurance Program is $306M for PY 2022.

Section 1.2 – Part II Georgia Access Model

Georgia also seeks approval of Part II of its 1332 Waiver to transition Georgia's individual market from the Federally Facilitated Exchange (FFE) to the Georgia Access Model for PYs 2023 – 2026. To expand access to affordable healthcare options and reduce the uninsured rate, the Georgia Access Model will allow consumers to view all the plan options available to them through a network of private web-brokers, including Qualified Health Plans (QHPs) and Catastrophic Plans offered today on the FFE, as well as all plans licensed and available within the State. Consumers will also have the option to buy plans direct from carriers.

Subsidies: The State will calculate consumers' eligibility for federal Advanced Premium Tax Credits/Premium Tax Credits (APTCs/PTCs) based on the federal eligibility structure for individuals between 100 and 400% of the FPL. Eligibility determination information will be transmitted from the State to CMS to continue to pay ATPCs to carriers as it does today and to

the IRS for PTC reconciliation. The State will be responsible for any increases in APTC expenditures due to increased enrollment in the individual market by subsidy-eligible individuals resulting from the waiver, which is assumed to be deducted from the Reinsurance Program passthrough savings. Similarly, the State is requesting passthrough of APTC savings. The baseline model assumes an enrollment growth of 25,000 additional people beyond growth from the Reinsurance Program into the individual market due to increased access through Georgia Access. For the baseline estimates, it is assumed this group will mirror the current percentage of enrollees in Georgia's individual market, with 85% subsidy-eligible and have a similar health status/risk score of individuals currently enrolled in Bronze and Silver metal level plans. This increased enrollment is expected to have a positive impact on the market, further lowering premiums an additional 3.4% on average. The net impact on APTC passthrough due to both the Reinsurance Program and Georgia Access is $306M for PY 2022, and $288M for PY 2023. Using the baseline enrollment distribution, an additional 155,000 additional (180,000 total) new subsidy eligible individuals compared to without waiver individuals would need to enter the market before the amount of APTCs costs exceed the total APTC savings from the Reinsurance Program.

The state-required funding for Georgia Access and the Reinsurance Program is estimated to be $153M for PY 2023, funded with a state user fee previously assessed against carriers for use of the FFE along with State General Funds. The baseline With Waiver model estimates for Georgia Access is an additional increase of 25,000 new consumers to the market in PY 2023 beyond the impact of reinsurance, with 21,250 subsidy-eligible. This additional 25,000 enrollment is above and beyond the number of consumers currently buying QHPs on the FFE pre-waiver.

Table 1.2: Modeled Enrollment Growth with Georgia Access for PY 2023

Additional Enrollment	
With Waiver Additional Enrollment Baseline Estimates	25,000
Subsidized	21,250
Unsubsidized	3,750

The baseline scenario net enrollment growth of 25,000 individuals, representing a growth of just over 6% of the individual market and less than 2% net increase from the uninsured. In addition, the analysis has modeled multiple enrollment scenarios and health status of the newly enrolled market entrants within the actuarial certification to account for shifts in the model if enrollment growth varies from the baseline scenario.

Baseline enrollment growth was based upon trends in increased enrollment through Enhanced Direct Enrollment (EDE) vendors within the individual market and increased marketing and outreach efforts with the Georgia Access Model. For example, web-brokers and carriers will have market incentives to conduct outreach and marketing to bring new and former consumers back into the market under the new model. Additionally, the State will be actively providing consumers with information on the implementation of the Georgia Access Model. And individuals receiving healthcare insurance through the Federally Facilitated Exchange (FFE) will

be supported in the transition to the Georgia Access Model. These variables combined with increasing use of private sector vendors are expected to drive overall net growth in enrollment.

Additional information and assumptions on enrollment are detailed throughout this analysis.

Section 1.3 – Waiver Impact Assessment and Guardrail Compliance

This document summarizes the analyses performed and the resulting impact of Reinsurance Only and the Reinsurance Program combined with the Georgia Access Model on the Georgia individual market, with and without the waiver. The underlying data, assumptions, and extensive scenario/sensitivity testing performed are documented throughout the report.

Pursuant to 45 CFR 155.1308(f)(4)(i)-(iii), in order for Georgia's 1332 Waiver to be approved, the State must demonstrate that the waiver complies with the four "guardrails" as listed below. This document demonstrates the impact of each of the guardrails and describes the compliance with each. Further, this document complies with the CMS "Checklist for Section 1332 State Relief and Empowerment Waivers Applications" (updated July 2019) ("CMS Checklist") as described in Appendix IV – "Crosswalk to CMS 1332 Waiver Checklist".

- **Coverage** – a comparable number of state residents eligible for coverage under Title I of the Patient Protection and Affordable Care Act (PPACA) will have health coverage under the section 1332 state plan as would have had coverage absent the waiver;
- **Affordability** – access to coverage that is as affordable as coverage forecasted to have been available in the absence of the waiver is projected to be available to a comparable number of people under the waiver;
- **Comprehensiveness** – access to coverage that is as comprehensive as coverage forecasted to have been available in the absence of the waiver is projected to be available to a comparable number of people under the waiver, and;
- **Deficit neutrality** – the waiver will not increase the federal deficit over the period of the waiver (which may not exceed five years unless renewed) or in total over the 10-year period.

Section 2: Actuarial and Economic Analysis Summary

Section 2.1 – Without Waiver Summary

Consistent with the CMS Checklist, "for waivers that impact the individual market, the State should use a baseline in which there is no state waiver plan in effect, and should compare premiums, comprehensiveness, and coverage under the baseline for each year to those projected under the waiver." The Without Waiver baseline projections are built off PY 2018 data provided from carriers in Georgia's individual market. The baseline Without Waiver estimated enrollment (coverage) and premiums (affordability) are shown in Table 2.1 for PYs 2022 – 2026, alongside actuals for PY 2018. Ten-year projections are shown in Appendix IV, Table IV.II. The data, methodology, and assumptions underlying these estimates are described in Sections 3 and 4.

Table 2.1: Baseline Without Waiver Average Enrollment and Premium Estimates

	PY 2018	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026
Baseline Without Waiver						
Enrollment						
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Unsubsidized	33,978	32,279	32,279	32,279	32,279	32,279
Off Exchange Unsubsidized	22,029	20,928	20,928	20,928	20,928	20,928
Grandfathered	972	972	972	972	972	972
Total[I]	**390,564**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**
PMPM						
On Exchange Subsidized	$626	$742	$778	$816	$856	$899
On Exchange Unsubsidized	$494	$586	$615	$645	$677	$710
Off Exchange Unsubsidized	$524	$621	$652	$684	$717	$753
Grandfathered	$292	$344	$361	$361	$361	$361
Total[I]	**$608**	**$721**	**$757**	**$794**	**$833**	**$874**
Total Premium (In $ millions)						
On Exchange Subsidized	$2,505	$2,969	$3,114	$3,268	$3,428	$3,597
On Exchange Unsubsidized	$202	$227	$238	$250	$262	$275
Off Exchange Unsubsidized	$139	$156	$164	$172	$180	$189
Grandfathered	$3	$4	$4	$4	$4	$4
Total[I]	**$2,849**	**$3,355**	**$3,520**	**$3,693**	**$3,875**	**$4,065**

[I]Totals may not equal the sum of the parts due to rounding

Section 2.2 – With Waiver Summary

Section 2.2.1 – With Waiver: Reinsurance Only Summary

The Reinsurance Program will reimburse insurance carriers for a portion (coinsurance percentage) of member aggregated annual claims between a lower bound (attachment point) and an upper bound (cap). The coinsurance percentage varies by tier, with higher percentages targeting higher cost rating regions. The following table summarizes the reinsurance parameters and estimated premium impacts in PY 2022 as a result of the Reinsurance Program.

Table 2.2: Tiered Coinsurance Rates and PY 2022 Premium Reductions

	Tier 1	Tier 2	Tier 3
Rating Regions	2,3,5,8,14	1,7,9,12,16	4,6,10,11,13,15
Attachment Point	$20,000	$20,000	$20,000
Cap	$500,000	$500,000	$500,000
Coinsurance	15.0%	45.0%	80.0%
Estimated PY 2022 Premium Impact	- 4.8%	-14.4%	-25.5%

These reinsurance parameters are estimated to result in an approximate 10.2% average rate decrease, with the lowest rate decreases in Tier 1 and the highest rate decreases in Tier 3. The rating areas are tiered according to estimated average Without Waiver premiums. Rating areas with the lowest estimated premiums are in Tier 1 and rating areas with the highest estimated premiums are in Tier 3. Refer to Appendix II and III for more information on rating areas.

The baseline With Waiver Reinsurance Only estimated enrollment (coverage) and premiums (affordability) are shown in Table 2.3 for PYs 2022 – 2026, alongside actuals for PY 2018. Ten-year projections are shown in Appendix IV, Table IV.II. The data, methodology, and assumptions underlying these estimates are described in Sections 3 and 5.1.

Table 2.3: Baseline With Waiver Reinsurance Only Average Enrollment and Premium Estimates

	PY 2018	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026
Enrollment						
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Unsubsidized	33,978	33,068	33,218	33,260	33,285	33,304
Off Exchange Unsubsidized	22,029	21,682	21,828	21,870	21,895	21,915
Grandfathered	972	972	972	972	972	972
Total[I]	**390,564**	**389,307**	**389,602**	**389,687**	**389,737**	**389,777**
PMPM						
On Exchange Subsidized	$626	$665	$697	$729	$764	$800
On Exchange Unsubsidized	$494	$541	$565	$592	$620	$650
Off Exchange Unsubsidized	$524	$546	$570	$597	$624	$653
Grandfathered	$292	$342	$359	$377	$395	$415
Total[I]	**$608**	**$647**	**$678**	**$709**	**$743**	**$778**
Total Premium (In $ millions)						
On Exchange Subsidized	$2,505	$2,664	$2,789	$2,920	$3,056	$3,201
On Exchange Unsubsidized	$202	$215	$225	$236	$248	$260
Off Exchange Unsubsidized	$139	$142	$149	$157	$164	$172
Grandfathered	$3	$4	$4	$4	$5	$5
Total[I]	**$2,849**	**$3,025**	**$3,168**	**$3,317**	**$3,473**	**$3,637**

[I]Totals may not equal the sum of the parts due to rounding

Section 2.2.2 – With Waiver: Georgia Access Summary

The Georgia Access Model expands consumer access by allowing individuals to shop for and compare available plans through multiple channels. Consumers may use commercial market web-brokers or buy directly from carriers and still receive APTCs, if eligible.

Under the waiver, metal level QHPs and Catastrophic Plans will continue to be available in Georgia's market as they are today through the FFE. This actuarial analysis assumes these plans will be available at the same rates they are under the baseline scenario (PY 2018). Only QHPs will continue to be eligible for APTCs/PTCs.

Table 2.4: Baseline with Waiver Reinsurance and Georgia Access Estimated QHP Premium Impact in PY 2023

QHP Premium Impact Compared to Without Waiver in PY 2023	Tier 1	Tier 2	Tier 3
Georgia Access Only [I]	-3.7%	-3.7%	-3.6%
Combined Impact of Reinsurance and Georgia Access [II]	-8.5%	-18.1%	-29.1%

[I] Excludes premium impact due to Reinsurance
[II] Approximated by summing Reinsurance Only premium impact in Table 2.2 with Georgia Access Only impact.

Section 2.2.3 – With Waiver: Reinsurance and Georgia Access Summary

The baseline With Waiver Reinsurance and Georgia Access estimated enrollment (coverage) and premiums (affordability) are shown in Table 2.5 for PYs 2022 – 2026, alongside actuals for PY 2018. Ten-year projections are shown in Appendix V, Table V.II. The data, methodology, and assumptions underlying these estimates are described in Sections 3 and 5.

Table 2.5: Baseline With Waiver Reinsurance and Georgia Access Average Enrollment and Premium Estimates

	PY 2018	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026
Enrollment						
On Exchange Subsidized	333,584	333,584	354,834	354,834	354,834	354,834
On Exchange Unsubsidized	33,978	33,068	37,545	37,666	37,707	37,731
Off Exchange Unsubsidized	22,029	21,682	22,089	22,175	22,208	22,230
Grandfathered	972	972	972	972	972	972
Total[1]	**390,564**	**389,307**	**415,441**	**415,648**	**415,722**	**415,767**
PMPM						
On Exchange Subsidized	$626	$665	$671	$702	$735	$770
On Exchange Unsubsidized	$494	$541	$542	$567	$594	$622
Off Exchange Unsubsidized	$524	$546	$550	$575	$601	$629
Grandfathered	$292	$342	$359	$377	$395	$415
Total[1]	**$608**	**$647**	**$652**	**$682**	**$714**	**$748**
Total Premium (In $ millions)						
On Exchange Subsidized	$2,505	$2,664	$2,855	$2,989	$3,129	$3,277
On Exchange Unsubsidized	$202	$215	$244	$256	$269	$282
Off Exchange Unsubsidized	$139	$142	$146	$153	$160	$168
Grandfathered	$3	$4	$4	$4	$5	$5
Total[1]	**$2,849**	**$3,025**	**$3,249**	**$3,403**	**$3,563**	**$3,732**

[1]Totals may not equal the sum of the parts due to rounding

Section 2.3 – Without and With Waiver Comparison Summary

Table 2.6 compares the With Waiver to baseline Without Waiver enrollment (coverage) and premiums (affordability). This table includes estimates for PY 2023 for both Reinsurance Only and Reinsurance and Georgia Access. Detailed estimates for each year from PYs 2022 – 2031 for Reinsurance Only are shown in Appendix IV, Table IV.II. Detailed estimates for each year of PYs 2022 – 2031 for Reinsurance and the Georgia Access Model are shown in Appendix V, Table V.II.

Note, enrollment and premium changes resulting from this waiver throughout this analysis are modeled to occur at implementation. Therefore, PY 2022 is modeled to reflect the impact of reinsurance on enrollment and premium in PY 2022 and then that assumption is carried forward through the projection period (PY 2031). Similarly, the Georgia Access impact on enrollment and premium is all assumed to occur in PY 2023 and then carry through PY 2031.

Table 2.6: Comparison of With Waiver and Baseline Without Waiver PY 2023

	Reinsurance Only (PY 2023)			Reinsurance and Georgia Access (PY 2023)		
	Without Waiver	With Waiver	% Change	Without Waiver	With Waiver	% Change
Enrollment						
On Exchange Subsidized	333,584	333,584	0.0%	333,584	354,834	6.4%
On Exchange Unsubsidized	32,279	33,218	2.9%	32,279	37,545	16.3%
Off Exchange Unsubsidized	20,928	21,828	4.3%	20,928	22,089	5.5%
Grandfathered	972	972	0.0%	972	972	0.0%
Total[1]	**387,764**	**389,602**	**0.5%**	**387,764**	**415,441**	**7.1%**
PMPM						
On Exchange Subsidized	$778	$697	-10.5%	$778	$671	-13.8%
On Exchange Unsubsidized	$615	$565	-8.0%	$615	$542	-11.8%
Off Exchange Unsubsidized	$652	$570	-12.5%	$652	$550	-15.6%
Grandfathered	$361	$359	-0.5%	$361	$359	-0.5%
Total[1]	**$757**	**$678**	**-10.4%**	**$757**	**$652**	**-13.8%**
Total Premium (In $ millions)						
On Exchange Subsidized	$3,114	$2,789	-10.5%	$3,114	$2,855	-8.3%
On Exchange Unsubsidized	$238	$225	-5.3%	$238	$244	2.6%
Off Exchange Unsubsidized	$164	$149	-8.7%	$164	$146	-11.0%
Grandfathered	$4	$4	-0.5%	$4	$4	-0.5%
Total[1]	**$3,520**	**$3,168**	**-10.0%**	**$3,520**	**$3,249**	**-7.7%**

[1]Totals may not equal the sum of the parts due to rounding

Section 2.4 – Guardrail Summary

High-level compliance with the guardrails over the 5-year waiver and 10-year projection period are summarized in the following tables, and further described in Section 6. Table 2.7 summarizes compliance with Part I of the waiver, and Table 2.8 summarizes compliance with both Part I and Part II of the waiver. Ten-year estimates, for just Part I, models the impact of just the Reinsurance Program from PYs 2022 – 2031 and are provided in Appendix IV. The 10-year estimates for both Part I and Part II assume a continuation of both the Reinsurance Program and the Georgia Access Model through PY 2031. For more detail regarding the assumptions related to increased coverage and estimated enrollment impact assumptions, please refer to Appendix V.

Table 2.7: High-Level Guardrail Compliance of 1332 Waiver Reinsurance Only

Guardrail	Estimated Effect of Reinsurance Program Compared to Without Waiver
Comprehensiveness	There will not be a change to access to metal level QHPs and Catastrophic Plans as defined by Section 1302.
Affordability	Premiums are estimated to decrease by an average of 10.2% statewide in PY 2022. The average annual premium decrease compared to the Without Waiver baseline over the 5-year waiver period and 10-year projection period is 10.7% and 11.1% respectively.
Scope of Coverage	Enrollment in the individual market is projected to increase 0.4% in PY 2022, 0.5% by PY 2026, and 0.6% by PY 2031.
Deficit Neutrality	Net federal spend is estimated to decrease by $306 million in PY 2022, $1.8 billion over the 5-year waiver period, and $4.2 billion over the 10-year projection period.

Table 2.8: High-Level Guardrail Compliance of 1332 Waiver Reinsurance and Georgia Access Model

Guardrail	Estimated Effect of Reinsurance and Georgia Access Compared to Without Waiver
Comprehensiveness	There is no anticipated change to access to metal level QHPs and Catastrophic Plans as defined by Section 1302. Consumers will have increased access to all individual products licensed and in good standing within the State.
Affordability	For PY 2022, premiums are estimated to decrease by an average of 10.2% statewide due to the Reinsurance Program. For PY 2023, premiums are estimated to decrease by an average of 10.4% statewide due to the Reinsurance Program and metal level QHP premiums are estimated to decrease an additional 3.4% due to the Georgia Access Model. The average annual premium decrease compared to the Without Waiver baseline over the 5-year waiver period and 10-year period is 13.4% and 14.2% respectively. Further, APTCs/PTCs eligibility will remain the same for QHPs under the Georgia Access Model, keeping plans as affordable as without the waiver.

Scope of Coverage	Enrollment in the individual market is estimated to increase 0.4% in PY 2022 due to the Reinsurance Program. Enrollment in the individual market is estimated to increase 0.4% in PY 2023 due to the Reinsurance Program and 6.8% in PY 2023 due to the impact of the Georgia Access Model. Enrollment is estimated to increase a total of 0.4% in PY 2022, 7.2% in PY 2023, 7.2% by PY 2026, and 7.3% by PY 2031.
Deficit Neutrality	Net federal spend is estimated to decrease by $306 million in PY 2022 with just reinsurance. Net federal spend is estimated to decrease by $288 million in PY 2023 with both reinsurance and Georgia Access, $1.6 billion over the 5-year waiver period, and $3.7 billion over the 10-year period for the combined Reinsurance Program and Georgia Access Model.

Section 3: Data Sources and Reliance

This section describes the data relied upon to develop baseline Without Waiver and With Waiver estimates and to estimate the effect of the waiver on coverage, comprehensiveness, affordability, and deficit neutrality requirements. It documents the data sources used as well as the review of the data.

Section 3.1 – Data and Information Requested and Received

Through the Georgia Office of Insurance and Safety Fire Commissioner , Deloitte Consulting requested PYs 2016 – 2018 data from insurance carriers participating in the individual and small group markets in Georgia during these years. Generally, PY 2018 data was used to develop the estimates, as described in Section 4 – Without Waiver Development. Data was received from all four carriers participating in the non-grandfathered market in PY 2018. Data collected from Georgia insurance carriers and used in this analysis includes the following:

- Continuance tables of paid claims and associated enrollment in the individual market for PYs 2016 – 2018
- Enrollment, premium, and Advanced Premium Tax Credit (APTC) data for PYs 2016 – 2018
- Rate filings for PYs 2016 – 2018, including actuarial memos, rate tables, and Unified Rate Review Tables (URRTs) for On/Off Exchange plans in the individual market
- Financial statements for PYs 2016 – 2018

Additional data sources used in this analysis include the following:

- Study from the American Economic Review in 2015[1]
- Economic data/indicators from the U.S. Bureau of Labor Statistics (BLS)

[1] Adverse Selection and an Individual Mandate: When Theory Meets Practice, 2015, available at: https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20130758

- Economic data from the Census Bureau
- Department of Treasury April 2019 Coverage Tables[2]
- National Health Expenditure data from CMS[3]
- Various studies on price elasticity in the individual market[4,5,6]
- Summary of research on the premium impact due to the Short-Term, Limited Duration Coverage Final Rule[7]
- Report from Oliver Wyman on the Impact of the ACA's HIF in Year 2020 and Later[8]
- Study from Avalere Health on the Estimated Impact of Adding Copper Plans[9]
- CMS 2018 Risk Adjustment Summary Report[10]
- Diabetes Prevalence Rates from the American Diabetes Association (ADA)[11]
- CMS 2018 and 2019 Public Use Files
- CMS 2018 and 2019 QHP Landscape Files

Section 3.2 – Base Period Data

In the development of the baseline Without Waiver and With Waiver scenarios, we relied on claims, premium, enrollment, and APTC data provided by Georgia insurance carriers through OCI as outlined in the previous section. We reviewed the data for reasonableness; however, Deloitte Consulting did not perform an independent audit as to the accuracy of the data.

In reviewing the claims data provided via continuance tables, we performed the following reasonableness checks:

- Verified the average claims fell within each claim band. Updated data was requested from carriers with errors
- Reviewed the distribution of members and claims by claim band

In reviewing the premiums, enrollment, and APTC data, we performed the following reasonableness checks:

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[2] Treasury Coverage Tables, 2019, available at: https://home.treasury.gov/system/files/131/Coverage-Tables-MSR2019.pdf
[3] National Health Expenditure Data, available at: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/ForecastSummary.pdf
[4] Worker Demand for Health Insurance in the non-Group Market, 1995, available at: https://www.sciencedirect.com/science/article/abs/pii/0167629694000353
[5] Subsidies and the Demand for Individual Health Insurance in California, 2004, available at: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1361083/
[6] Price and the Demand for nongroup Health Insurance, 2006, available at: https://www.ncbi.nlm.nih.gov/pubmed/17004642
[7] The Short-Term, Limited-Duration Coverage Final Rule: The Background, The Content, And What Could Come Next, 2018, available at: https://www.healthaffairs.org/do/10.1377/hblog20180801.169759/full/
[8] Analysis of the Impacts of the ACA's Tax on Health Insurance in Year 2020 and Later, 2018, available at: https://health.oliverwyman.com/content/dam/oliver-wyman/blog/hls/featured-images/August18/Insurer-Fees-Report-2018.pdf
[9] Avalere Study, available at: https://avalere.com/insights/avalere-analysis-copper-plan-alternative-would-lower-premiums-18
[10] CMS 2018 Risk Adjustment Summary Report, available at: https://www.cms.gov/CCIIO/Programs-and-Initiatives/Premium-Stabilization-Programs/Downloads/Summary-Report-Risk-Adjustment-2018.pdf
[11] ADA Burden of Diabetes in GA, available at: https://theveranda.org/images/pdf/Burden-of-Diabetes-in-Georgia.pdf

- Compared the proportion of PY 2018 APTC enrollment versus total On Exchange enrollment against an outside source, the Kaiser Family Foundation.[12] Enrollment distribution matched within 0.7%
- Reviewed per member per month (PMPM) figures by various splits (e.g., metal level, rating area, exchange status)
- Checked total member months against carrier year-end financial statements. Total member months provided in the carriers' enrollment data matched within 1.5% of the financial statements

The following adjustments were made to the premium, enrollment, and APTC data:

- Removed member months (<1,000 removed or approximately 0.003% of total member months) and the associated premiums and APTCs between PYs 2016 – 2018 due to various data inconsistencies, including:
    - Catastrophic Plans labeled as having APTCs greater than $0
    - Plans with no associated metal level
    - Plans with a rating area not labeled between 1 – 16

Section 3.3 – Reliance

The data was reviewed for reasonableness and consistency during the work; however, it was not audited after being received. It was assumed, without audit, that all data and information provided was accurate and complete. If the underlying data or information provided was inaccurate or incomplete, the results of analysis may likewise be inaccurate or incomplete.

The scope of the certification and the intended use of the analysis being performed to determine the nature of the data needed was considered. Additionally, the actuarial guidelines on utilizing imperfect data and considering the quality of data in the actuarial analysis as outlined in Actuarial Standard of Practice No. 23 were followed. We relied on the State of Georgia enrollment and premium data highlighted. Based on our reasonableness checks, we believe it is credible and is a reasonable data source to assess the impact of the Reinsurance Program and Georgia Access Model on the State of Georgia's individual health insurance population.

Section 4: Without Waiver Development

This section provides a description of the actuarial assumptions and methodology used to estimate enrollment, claims, premiums, APTCs, and state and federal funding requirements over the 10-year period for PYs 2022 – 2031 under a baseline Without Waiver scenario. Further, this section provides summary estimates of the larger Without Waiver analysis found in Appendices IV and V.

[12] Marketplace Effectuated Enrollment and Financial Assistance, 2018, available at: https://www.kff.org/other/state-indicator/effectuated-marketplace-enrollment-and-financial-assistance/?currentTimeframe=1&selectedRows=%7B%22states%22:%7B%22georgia%22:%7B%7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

Consistent with the CMS "Checklist for Section 1332 State Relief and Empowerment Waivers Applications" (updated July 2019) ("CMS Checklist") as described in Appendix VI – "Crosswalk to CMS 1332 Waiver Checklist", detailed estimates by FPL, metal level, second lowest cost silver plan, APTC, and fees over the 5-year waiver period and 10-year projection period are included in Appendix IV and V.

Section 4.1 – Without Waiver Assumptions and Parameters

Section 4.1.1 – Without Waiver Enrollment

The PY 2018 enrollment shown in Table 2.1 was summarized from the actual PY 2018 enrollment data received from the carriers. Enrollment in PYs 2022 – 2031 was estimated as follows:

- Reduced unsubsidized (On Exchange Unsubsidized and Off Exchange Unsubsidized) enrollment in PY 2019 to account for the removal of the Individual Mandate. Using public use file data, a 5% reduction was assumed.
- Assumed enrollment would then stabilize at the PY 2019 level throughout the 10-year period.

The following table summarizes enrollment in PYs 2018, 2022, and 2023 by metal level (including Catastrophic Plans), exchange status, and APTC eligibility for the baseline Without Waiver estimates. Note that enrollment figures provided are annualized assuming 12 member months per member.

Table 4.1: Baseline Without Waiver Enrollment

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	39,769	39,769	39,769
Silver	277,771	277,771	277,771
Gold	16,044	16,044	16,044
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**
On Exchange Unsubsidized			
Bronze	13,320	12,654	12,654
Silver	13,228	12,566	12,566
Gold	5,637	5,355	5,355
Catastrophic	1,794	1,704	1,704
Average Annual Enrollment[1]	**33,978**	**32,279**	**32,279**
Off Exchange Unsubsidized			
Bronze	9,656	9,173	9,173
Silver	8,941	8,494	8,494
Gold	2,497	2,373	2,373
Catastrophic	935	888	888
Average Annual Enrollment[1]	**22,029**	**20,928**	**20,928**
Total Average Annual Enrollment			
Baseline Without Waiver	**389,592**	**386,792**	**386,792**

[1]Totals may not equal the sum of the parts due to rounding

Section 4.1.2 – Without Waiver Claims

Carriers provided PY 2018 data on actual total paid claims, membership, and average annual paid claims for the individual market, which was summarized into a single continuance data

table (see Section 3). Claim costs for PYs 2022 – 2031 were estimated by trending average annual paid claims at an assumed annual rate of 5.1% based off national health expenditure data from CMS (see Section 3). The carrier-provided continuance table data was only used to estimate the impact of the Reinsurance Program. As described in the premium projections, a separate claim component was derived using an assumed loss ratio and used as the basis for other claim projections.

Section 4.1.3 – Without Waiver Premiums

Carriers provided PY 2018 individual market premium PMPM data by metal level, APTC eligibility, and exchange status, which was summarized. The premium PMPM and total shown in Table 2.1 was derived directly from this insurer data. Premiums for PYs 2022 – 2031, as shown in Appendix IV, Table IV.II and Appendix V, Table V.II were estimated as follows:

- Trended the premium PMPMs from PY 2018 to PYs 2019 – 2020 at 3.5% annually based off the annualized weighted average of carrier PYs 2019 and 2020 requested rate increases
- Applied an additional 1% premium increase in PY 2019 due to the removal of the individual mandate based on various studies on the premium impact due to the Short-Term, Limited Duration Coverage Final Rule[13] published after the removal of the individual mandate
- Applied an assumed loss ratio of 82.4%, based on a review of insurer rate filings, to develop the claims and non-benefit expense (NBE) portions of premium for PY 2020
- Trended the claims portion of premium at the assumed 5.1% annual claim trend rate to estimate PYs 2022 – 2031 claims portion of premium
- Trended the NBE portion of premium at an assumed rate of 4%, based off a blend of wage inflation and claim trend to estimate PYs 2022 – 2031 NBE portion of premium
- Summed the claims and NBE portions of premium to develop the estimated premium PMPM for PYs 2022 – 2031

The following table summarizes premiums in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline Without Waiver estimates.

[13] The Short-Term, Limited-Duration Coverage Final Rule: The Background, The Content, And What Could Come Next, 2018, available at: https://www.healthaffairs.org/do/10.1377/hblog20180801.169759/full/

Table 4.2: Baseline Without Waiver Premium PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$554	$657	$689
Silver	$626	$742	$778
Gold	$799	$946	$993
Average Premium PMPM	**$626**	**$742**	**$778**
On Exchange Unsubsidized			
Bronze	$477	$566	$594
Silver	$505	$599	$628
Gold	$576	$683	$716
Catastrophic	$283	$332	$348
Average Premium PMPM	**$494**	**$586**	**$615**
Off Exchange Unsubsidized			
Bronze	$527	$624	$655
Silver	$548	$649	$681
Gold	$540	$640	$672
Catastrophic	$235	$276	$289
Average Premium PMPM	**$524**	**$621**	**$652**
Total Premium PMPM			
Baseline Without Waiver	**$608**	**$721**	**$757**

The Second Lowest Cost Silver Plan (SLCSP) premiums for a representative consumer were also estimated per the CMS checklist. A non-smoker individual aged 21 was used as a representative consumer for this estimation. The 2019 actual SLCSP premium was derived from the QHP Landscape Files. SLCSP premiums in PYs 2022 – 2031 were estimated in the same manner as premiums described above (as shown in Appendix IV, Table IV.III and Appendix V, Table V.III).

Section 4.1.4 – Without Waiver Subsidies

The PY 2018 APTC PMPM and total were summarized from the actual PY 2018 APTC data received from the carriers. APTC PMPMs in PYs 2022 – 2031 were estimated as follows:

- Summarized average APTC by metal level
- Calculated net member premium in PY 2018 as the difference between gross member premium and APTC
- Estimated the change in net member premium in PYs 2019 – 2031 by indexing at an annual wage inflation rate of 1.75%, developed from Georgia-specific data from the Bureau of Labor Statistics (BLS)
- Estimated APTC as the difference between estimated gross and net member premiums

The following table summarizes APTC PMPMs in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline Without Waiver estimates.

Table 4.3: Baseline Without Waiver APTC PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$477	$574	$605
Silver	$559	$670	$705
Gold	$638	$775	$818
Average APTC PMPM	**$553**	**$663**	**$698**

Section 4.1.5 – User Fees

Georgia's On Exchange individual market uses the FFE. Therefore, for all years in the projection before the implementation of the Georgia Access Model, the FFE user fee was calculated as 3.5% of the total On Exchange premiums for 2018 and 2019, and 3.0% for 2020 through 2031. Appendix IV, Table IV.IX and Appendix V, Table V.IX summarize total estimated user fees in PY 2022 through PY 2031.

The following table summarizes user fees in PYs 2018, 2022, and 2023 for the baseline Without Waiver estimates.

Table 4.4: Baseline Without Waiver User Fees

	PY 2018	PY 2022	PY 2023
Total On Exchange Premium (a)	$2,706,559,418	$3,195,464,036	$3,352,491,497
User Fee % (b)	3.5%	3.0%	3.0%
Total User Fee (a*b)	$94,729,580	$95,863,921	$100,574,745

Section 4.2 – Without Waiver Modeling Results

The following table summarizes total enrollment, premium, APTC, and user fees in PY 2022, PY 2023, the 5-year waiver period, and 10-year projection period. Appendices IV and V contain additional details, including year-by-year estimates, on the Without Waiver modeling results. The results summarized in the following table are used to compare against the With Waiver scenarios discussed in Section 5.

Table 4.5: Baseline Without Waiver Summary Results

	PY 2022	PY 2023	5-Year Total	10-Year Total
Total Enrollment[I]	387,764	387,764	387,764	387,764
Total Premium (In $ millions)	$3,355	$3,520	$18,509	$19,418
Total APTC (In $ millions)	$2,655	$2,796	$14,754	$33,807
Total User Fees (In $ millions)	$96	$101	$529	$1,201

[I] 5-year and 10-year totals are straight average

Section 5: With Waiver Development

This section provides a description of the actuarial assumptions and methodology used to estimate enrollment, claims, premiums, APTCs/subsidies, and state and federal funding requirements over the 10-year period PYs 2022 – 2031 under a baseline With Waiver scenario.

As noted, several scenarios were modeled to understand the impact on coverage, comprehensiveness, affordability, and deficit beyond the baseline scenario.

In the analysis of Georgia's individual market with the waiver, the actuarial and economic analysis was performed in the following order:

1. Effect of Reinsurance Program only
2. Effect of the combined Reinsurance and Georgia Access Model

Consistent with the requirements of the CMS Checklist, this section and the following Section 6 specifically document:

- The process used to determine the effect of the waiver on coverage, comprehensiveness, affordability, and deficit neutrality guardrail requirements
- Assumptions and methodology used to develop the estimates and growth of health care spending
- Assumptions used to develop the projected reimbursements, including the expected distribution of claims by claim size

Consistent with the CMS "Checklist for Section 1332 State Relief and Empowerment Waivers Applications" (updated July 2019) ("CMS Checklist") as described in Appendix VI – "Crosswalk to CMS 1332 Waiver Checklist", detailed estimates by FPL, metal level, SLCSP, APTC/subsidy, and fees over the 5-year waiver period and 10-year projection period are included in Appendices IV and V. This section summarizes the development and highlights the approach and impact for a subset of the detailed estimates included in the Appendix.

Section 5.1 – With Waiver Reinsurance Only

Section 5.1.1 – With Waiver Reinsurance Only– Modeling Overview

The Reinsurance Program will reimburse carriers for a portion (coinsurance percentage) of member aggregated annual claims between a lower bound (attachment point) and an upper bound (Reinsurance cap). For PY 2022, the State of Georgia intends to establish the following parameters in order to stabilize the individual market, reduce premiums in high-cost regions of the State, and attract carriers to offer more plans in more regions of the State:

Table 5.1: Tiered Reinsurance Parameters

	Tier 1	Tier 2	Tier 3
Rating Regions	2,3,5,8,14	1,7,9,12,16	4,6,10,11,13,15
Attachment Point	$20,000	$20,000	$20,000
Cap	$500,000	$500,000	$500,000
Coinsurance	15.0%	45.0%	80.0%

Carriers provided PY 2018 data on actual total paid claims, membership, and average annual paid claims for the individual market, which was summarized into a single continuance data table. The claim costs for PYs 2022 – 2031 were estimated by trending average annual paid claims at 5.1% based off national health expenditure data. Using this information, an estimated 59.1% of PY 2022 claims will be between $20,000 and $500,000. The tiered coinsurance

percentages described in the previous table will be applied to actual claims between the attachment point and the Reinsurance cap.

The rating areas are tiered according to estimated average Without Waiver premiums. Rating areas with the lowest estimated premiums are in Tier 1, and rating areas with the highest estimated premiums are in Tier 3. Refer to Appendices II and III for more information on Georgia rating areas.

These reinsurance parameters are estimated to result in an approximate 10.2% average rate decrease, with the lowest rate decreases in Tier 1, and the highest rate decreases in Tier 3, as shown in the following table.

Table 5.2: Tiered Coinsurance Rates and PY 2022 Premium Reductions

	Tier 1	Tier 2	Tier 3
Rating Regions	2,3,5,8,14	1,7,9,12,16	4,6,10,11,13,15
PY22 Estimated Premium Impact (%)	- 4.8%	-14.4%	-25.5%

The 10.2% aggregate rate decrease, as well as the tiered rate decreases shown in Table 5.2, are estimated using conservative assumptions, increasing the likelihood that the combination of federal pass through and state funding will be adequate to pay all reinsurance claims. The waiver gives Georgia flexibility to adjust the reinsurance parameters in the event of a funding surplus or shortfall.

Projected reimbursements to carriers include a conservative factor when developing estimated premiums in the With Waiver scenario. The included scenario calculated that premiums could be reduced up to 12.0% based on the analysis under the identified reinsurance parameters. However, the model estimates a premium impact of a 10.2% reduction incorporated by the carriers to account for conservative pricing. This conservatism results in lower estimated rate decreases, and lower federal pass through funding. All estimates in this analysis use these conservative estimates.

Appendix IV, Figure IV.I illustrates the enrollment distribution and average premium levels by rating area and compares the baseline Without Waiver scenario to the With Waiver scenario.

In PY 2022, the Reinsurance Program will be funded by a combination of federal pass through and state funds. Appendix IV, Table IV.II summarize federal pass through funding and state funding required in each year.

Section 5.1.2 – With Waiver Reinsurance Only– Assumptions and Parameters

Enrollment: The primary impact of the Reinsurance Program is a decrease in the individual market premiums. With this decrease in premiums, we applied a price sensitivity assumption of 0.4% increase in enrollment per 1% decrease in individual premiums based off various studies

on price elasticity in the individual market.[14,15,16] This assumption is only applied to "On Exchange Unsubsidized" and "Off Exchange Unsubsidized" members, as those who are currently receiving APTCs are buffered from price movements due to their subsidy. Individuals entering the market due to premium decreases are assumed to have incomes greater than 400%, because subsidized individuals are shielded from premium changes and would not feel the impact of the Reinsurance Program.

The following table summarizes enrollment in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the With Waiver Reinsurance Only estimates. Note that enrollment figures provided are annualized assuming 12 member months per member.

Table 5.3: Baseline With Waiver Reinsurance Only Enrollment

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	39,769	39,769	39,769
Silver	277,771	277,771	277,771
Gold	16,044	16,044	16,044
Average Annual Enrollment[I]	**333,584**	**333,584**	**333,584**
On Exchange Unsubsidized			
Bronze	13,320	12,969	13,029
Silver	13,228	12,844	12,896
Gold	5,637	5,507	5,536
Catastrophic	1,794	1,748	1,757
Average Annual Enrollment[I]	**33,978**	**33,068**	**33,218**
Off Exchange Unsubsidized			
Bronze	9,656	9,510	9,576
Silver	8,941	8,801	8,860
Gold	2,497	2,450	2,465
Catastrophic	935	921	927
Average Annual Enrollment[I]	**22,029**	**21,682**	**21,828**
Total Average Annual Enrollment			
With Waiver - Reinsurance Only	**389,592**	**388,335**	**388,630**

Claims: Claim costs in PYs 2022– 2031 were calculated in the same manner as the baseline Without Waiver estimates described previously. The With Waiver estimates for the percent claim reduction due to reinsurance were developed for PYs 2022 – 2031 as follows:

- Set assumptions for the attachment point, reinsurance cap, and coinsurance percent (varying by rating region)
- Calculated the percent of claims subject to reinsurance given the identified reinsurance parameters to determine the percent claim reduction to be applied to the claims portion of premium in the premium projections

[14] Worker Demand for Health Insurance in the non-Group Market, 1995, available at: https://www.sciencedirect.com/science/article/abs/pii/0167629694000353
[15] Subsidies and the Demand for Individual Health Insurance in California, 2004, available at: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1361083/
[16] Price and the Demand for nongroup Health Insurance, 2006, available at: https://www.ncbi.nlm.nih.gov/pubmed/17004642

Premiums: Premium PMPMs and total for PYs 2022 – 2031 were estimated as follows:

- Started with the estimated PY 2020 claims and NBE portions of premium PMPM developed in the baseline Without Waiver scenario
- Estimated the claims portion of premium by:
  - Applying the same annual claim trend of 5.1% used in the Without Waiver scenario;
  - Applied the percent reduction in claims due to reinsurance, with a margin for insurer pricing conservatism of 15% as previously noted; and
  - Applied a morbidity improvement for the new enrollees of 0.5% per 1% increase in enrollment based on a study from the American Economic Review.[17]
- Estimated NBE portion of premium using a consistent approach described in the Without Waiver, trending at an annual rate of 4%
- Summed the claims and NBE portions of premium to develop the estimated premium PMPMs

The following table summarizes premiums in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline With Waiver Reinsurance Only estimates.

Table 5.4: Baseline With Waiver Reinsurance Only Premium PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$554	$592	$620
Silver	$626	$670	$701
Gold	$799	$773	$807
Average Premium PMPM	**$626**	**$665**	**$697**
On Exchange Unsubsidized			
Bronze	$477	$521	$545
Silver	$505	$558	$584
Gold	$576	$620	$648
Catastrophic	$283	$306	$320
Average Premium PMPM	**$494**	**$541**	**$565**
Off Exchange Unsubsidized			
Bronze	$527	$547	$571
Silver	$548	$570	$595
Gold	$540	$570	$596
Catastrophic	$235	$244	$255
Average Premium PMPM	**$524**	**$546**	**$570**
Total Premium PMPM			
With Waiver - Reinsurance Only	**$609**	**$648**	**$678**

[17] Adverse Selection and an Individual Mandate: When Theory Meets Practice, 2015, available at: https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20130758

SLCSP premiums in PYs 2022 – 2031 (as shown in Appendix IV, Table IV.IV) were estimated in the same manner as premiums described in the previous section.

Risk Adjustment Dampening: An actuarial analysis was performed to assess the need and impact of a risk adjustment dampening factor with the introduction of the Reinsurance Program. Based upon historical claims and premium data, it was determined that a dampening factor would have limited impact under the Reinsurance Program based on this historical information. Taking into consideration the introduction of two new carriers into Georgia's individual market in 2020, the State has decided not to pursue a risk adjustment dampening factor at this time but will continue to monitor the impact of reinsurance on the risk pool and may consider a dampening factor in the future.

APTCs: Federal APTCs/subsidies for PYs 2022 – 2031 were estimated as follows:

- Started with the estimated baseline Without Waiver PY 2020 APTC and Net Premium PMPM
- Projected in the same manner as the Without Waiver scenario, utilizing the With Waiver premiums and enrollment and applying adjustments to increase the net premium for members who buy-down to Bronze Plans and decrease the net premium for members who buy-up to Gold Plans

The following table summarizes APTCs in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline With Waiver Reinsurance Only estimates.

Table 5.5: Baseline With Waiver Reinsurance Only APTC PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$477	$503	$529
Silver	$559	$598	$628
Gold	$638	$609	$641
Average APTC PMPM	**$553**	**$587**	**$617**

User Fees: Similar to the baseline Without Waiver estimates, the FFE user fee was calculated as 3.5% in 2018 and 2019, and 3.0% from 2020 through 2031 of the total On Exchange premiums in the With Waiver (Reinsurance Only) scenario. The following table summarizes user fees in PYs 2018, 2022, and 2023 for the baseline With Waiver Reinsurance Only estimates. The following analysis is illustrative only to show the impact on passthrough in a reinsurance-only scenario. However, with the implementation of the Georgia Access it is assumed the federal government will no longer collect a user fee.

Table 5.6: Baseline With Waiver Reinsurance Only User Fees

	PY 2018	PY 2022	PY 2023
Total On Exchange Premium (a)	$2,706,559,418	$2,878,434,921	$3,014,187,478
User Fee % (b)	3.5%	3.0%	3.0%
Total User Fee (a*b)	$94,729,580	$86,353,048	$90,425,624

Reinsurance Program Cost: The Reinsurance Program cost in PYs 2022 – 2031 was calculated as follows:

- Determined total claims by multiplying the estimated claims portion of premium PMPM by estimated member months at a rating area level
- Multiplied the percent claim reduction associated with the coinsurance tier-level they are in (see Table 5.2) by the prior amount for each rating area
- Summed to get the statewide reinsurance cost

State and Federal Operating/Administration Costs: The State of Georgia expects the cost of administering the Reinsurance Program to be $8,000, leveraging data and reports from the EDGE server. It is further assumed that there will be no increase in federal administrative costs related to the Reinsurance Program.

Section 5.1.3 – With Waiver Reinsurance Only – Baseline Table of Estimates

The following table summarizes total enrollment, premium, APTC, and user fees in PY 2022, PY 2023, the five-year waiver period, and ten-year projection period. Further, this table summarizes funding estimates under Part I of the waiver, assuming Reinsurance Only throughout the 10-year projection period. Appendix IV contains additional details, including year-by-year estimates, on the With Waiver Reinsurance Only modeling results. The results summarized in the following table are used to compare against the Without Waiver baseline discussed in Section 4.

Table 5.7: Baseline With Waiver Reinsurance Only – Key Figures and Funding Estimates

	PY 2022	PY 2023	5-Year Total	10-Year Total
With Waiver Reinsurance Only				
Total Enrollment[I]	388,335	388,630	388,650	388,784
Total Preium (In $ millions)	$3,025	$3,168	$16,619	$37,558
Total APTC (In $ millions)	$2,349	$2,469	$13,001	$29,647
Total User Fees (In $ millions)	$86	$90	$474	$1,072
Finding Estimates (In $ millions)				
Program Costs				
Reinsurance Program Cost	$398	$426	$2,282	$5,420
Infrastructure/IT/Operational Cost[II]	$0	$0	$0	$0
Federal Revenue Reductions				
FFE User Fees Reduction	$10	$10	$54	$129
State Funding Sources				
Pass Through Funding	($306)	($327)	($1,753)	($4,160)
State Funding Requirement (In $ millions)	**$101**	**$109**	**$583**	**$1,388**

[I] 5-year and 10-year totals are straight average

[II] Reinsurance Infrastructure/IT/Operational Costs reduced from $750k per year to $8k per year

Section 5.1.4 – With Waiver Reinsurance Only – Sensitivity Testing/Scenario Analysis

Due to a measure of uncertainty associated with some of the assumptions used in this analysis, sensitivity analysis on each of the assumptions was conducted and discussed in detail with the State. Some of the assumptions have minimal impact while others have a more substantial impact. The most sensitive assumptions are discussed in further detail in this section and are analyzed through scenario tests to demonstrate guardrail compliance. The following table highlights these assumptions.

Table 5.8: Summary of Assumption Ranges for Reinsurance Only Sensitivity Analysis

Assumption	Baseline Value	Range Tested (Low – High)[I]
Insurer Conservatism	15%	10 – 20%
Morbidity Improvement	0.5%	1.00 – 0.00%

[I] Low/High is in relation to the impact on State Funding Requirement (i.e., the low value decreases state funding requirement and high value increases it)

The following table summarizes the results of the sensitivity analysis. Results are shown for PY 2022 – the first year of the Reinsurance Program. Average statewide premium decreases range from 9.5% to 10.9%, pass through funding ranges from $288 million to $324 million, and estimated state funding requirement ranges from $83 million to $120 million.

Table 5.9: Reinsurance Only Sensitivity Analysis – PY 2022

	1 - Baseline	2 - Worse Experience	3 - Better Experience
With Waiver Reinsurance Only			
Enrollment Change (%)	0.1%	0.1%	0.2%
Premium PMPM Change (%)	-10.2%	-9.5%	-10.9%
APTC Change (In $ millions)	($306)	($288)	($324)
User Fees Change (In $ millions)	($10)	($9)	($10)
Finding Estimates (In $ millions)			
Program Costs			
Reinsurance Program Cost	$398	$399	$397
Infrastructure/IT/Operational Cost	$0	$0	$0
Federal Revenue Reductions			
FFE User Fees Reduction	$10	$9	$10
State Funding Sources			
Pass Through Funding	($306)	($288)	($324)
State Funding Requirement (In $ millions)	**$101**	**$120**	**$83**

Section 5.2 – With Waiver Reinsurance and Georgia Access

The Georgia Access Model expands consumer access by allowing individuals to shop for and compare available plans through multiple channels. Residents may use commercial market web-brokers or buy directly from carriers and still receive APTCs, if eligible.

Under the waiver, metal level QHPs and Catastrophic Plans will continue to be available in Georgia's market as they are today through the FFE. This actuarial analysis assumes these plans will be available at the same rates today, before estimating the impact caused by the

implementation of the Reinsurance Program and new enrollees in the market due to Georgia Access.

This section describes the assumptions and methodology used to develop the With Waiver estimates due to implementation of the Georgia Access Model starting in PY 2023 in conjunction with the Reinsurance Program effective in PY 2022. It highlights any differences in the With Waiver Reinsurance Only estimates as compared to Section 5.1. Please refer to Appendix V for more detailed summaries.

Section 5.2.1 – With Waiver Reinsurance and Georgia Access – Assumptions and Parameters

Enrollment Increase: Since Georgia is the first state to transition to this new type of individual experience with new market incentives, there is limited data resources available that can directly point to how the market will respond. Several factors and data were considered when modeling the estimated impact on the market including:

- Uninsured rates
- Trends in FFE enrollment
- Trends in DE/EDE enrollment
- Experience from other states when transitioning from the FFE

The baseline 'With Waiver' scenario modeled estimates net enrollment growth of 25,000 individuals coming in to the market due to increased access with Georgia Access Model, representing a growth of just over 6% of the individual market and less than 2% net increase from the uninsured. In addition, the analysis has modeled multiple enrollment scenarios and health status of the newly enrolled market entrants within the actuarial certification to account for shifts in the model if enrollment growth varies from the baseline scenario.

Baseline enrollment growth was based upon trends in increased enrollment through EDE vendors within the individual market and increased marketing and outreach efforts with the Georgia Access Model. For example, web-brokers and carriers will have market incentives to conduct outreach and marketing to bring new and former consumers back into the market under the new model. Additionally, the State will be actively providing consumers with information on the implementation of the Georgia Access Model. And individuals receiving healthcare insurance through the FFE will be supported in the transition to the Georgia Access Model. These variables combined with increasing use of private sector vendors are expected to drive overall net growth in enrollment.

- **High Uninsured Rates and Declining Individual Market Participation:** Based on U.S. Census Bureau American Community Survey (ACS) 5-year estimates, Georgia has the third largest uninsured rate in the nation at 14.8%. Over 1.4 million individuals in Georgia are uninsured today, with over half of the uninsured currently eligible for federal APTCs. Between 2016 and 2019, total enrollment on the FFE in Georgia declined 22.0%, with over 129,000 consumers leaving the marketplace. The repeal of the Affordable Care Act individual mandate penalty in 2017 led to 35,000 individuals leaving Georgia's marketplace between 2017 to 2019.

- **Improving Access with Direct Enrollment (DE) and EDE:** While the FFE has experienced declining enrollment, DE/EDE vendors have experienced increasing enrollment over the last couple of years, both nationally and within Georgia. Infrastructure has continued to improve and DE/EDE has been promoted by HHS guidance as an enrollment pathway. Proxy DE began in 2018 and accounted for 13% of enrollments within Georgia's marketplace; EDE began in 2019 and the combined DE/EDE partners represented 15% of total enrollment in 2019 and 21% in 2020 accounting for 88,351 consumers enrollments. This is an average of 4 percentage points growth over the past two years. Assuming this trend continues, this percent will grow to 29% by PY23 or increase by 33,658 (122,009 = 88,351 / 21% * 29%).

  Florida, as an example, has experienced increased growth in web-broker and agent participation over the last couple years, while at the same time has seen an increase in consumers selecting to enroll in an exchange plan, demonstrating how private sector engagement and outreach leads to increased enrollment. For 2020, Florida had the largest volume of consumers selecting to enroll in an exchange plan in the country: [18]

  - 2016: 1,742,806 people enrolled
  - 2017: 1,760,025 people enrolled (1.0% growth)
  - 2018: 1,715,227 people enrolled (-2.5% growth)
  - 2019: 1,7,83,304 people enrolled (4.0% growth)
  - 2020: 1,913,975 people enrolled (7.3% growth)

  In addition, Florida also has the greatest volume of effectuated enrollments in the country for 2020 and experienced the third highest percentage increase in effectuated enrollment from 2019 to 2020, at 8.0%.[19]

- **Baseline enrollment increase:** The baseline scenario assumes the continued growth and success of private sector vendors will bring in roughly 33,000 new individuals. This enrollment growth is attributed to several factors including net new outreach and marketing activities to both current and potential enrollees conducted within the State, both by the private market as well as the State with the transition to Georgia Access which are not happening today. These efforts are to both retain current consumers during the transition as well as attract the 1.4 million individuals who are currently uninsured across Georgia into the market. Georgia has one of the highest uninsured rates in the country at nearly 15%.[20] Over half of the uninsured population in Georgia are eligible for subsidies. Over 150,000 of uninsured adults 19 to 64 years are between 100 – 138%

[18] CMS Marketplace Open Enrollment Period Public Use Files, Consumers Selecting and Enrolling in Plans, 2016 – 2020, available at: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Marketplace-Products/index.html

[19] CMS Early 2020 Effectuated Enrollment Snapshot. Available at: https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Early-2020-2019-Effectuated-Enrollment-Report.pdf

[20] U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates, available at: https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

of the FPL, effectively making them eligible for free Bronze Plans after APTCs. This uninsured group would be a net new consumer base and the ones most likely to benefit the most from the new marketing and outreach activities.

The combined impact of the Reinsurance Program, incentives for private entities to conduct marketing and outreach, multiple available access channels, and the State's Public Awareness Campaign are expected to increase enrollment, particularly across rural areas of the State. Many rural areas suffer from high uninsured rates and high marketplace premiums, and receive limited marketing and outreach efforts today. Fifty-eight of Georgia's 159 counties have uninsured rates higher than 25% among adults 19 to 64. In many parts of rural Georgia, uninsured residents have household incomes that would make them eligible for subsidies. The Georgia Access Model creates an environment that does not leave these individuals behind

The baseline scenario estimates a potential reduction of currently covered individuals of approximately 2%. States that previously transitioned from the FFE were faced with the same challenge of trying to minimize the risk of losing existing consumers during the transition. The State anticipates that the potential loss of coverage of current market consumers in Georgia will be less compared to what other states have experienced moving off the FFE due to several factors, including:

- State-wide Public Awareness Campaign regarding the 1332 Waiver and the new Georgia Access Model, a net new activity that will be conducted through the Georgia Access Model targeting both current and potential enrollees
- Marketing and outreach efforts by the private market, beyond what is performed today because of the incentives within the Georgia Access Model to capture the uninsured market
- Auto-reenrollment during the transition year, similar to what happens today

This 2% potential loss in coverage during the transition from the FFE, is anticipated to be offset by the increased enrollment overall from increased marketing and outreach on behalf of the private sector entities. The net impact is estimated to be an increase of 25,000 consumers in to market due to the Georgia Access Model.

Under the Georgia Access Model, consumers will be able to view and access all plans available to them in the State. Georgia does not anticipate migration of current QHP consumers to non-ACA compliant plans. Eighty-five percent of consumers buying in the market today received subsides and would not have a financial incentive to move to non-subsidized plans. The remaining 15% of consumers buying in the market have actively chosen to enroll in QHPs even after the repeal of the individual mandate penalty.

To compare commissions paid for STLDIs and QHPs, we analyzed two data sources. For commissions paid for STLDIs, the data is based on a high-level analysis of confidential carrier data requested by the State. For commissions paid for QHPs, the data is based upon a Kaiser

Family Foundation analysis[21] of 2018 data from Health Coverage Portal TM, a market database maintained by Mark Farrah Associates, which includes information from the National Association of Insurance Commissioners; mini-med companies with a medical focus were included.

Recognizing the inherent limitations of comparing data from two different data sources, we determined the average commission paid in Georgia for QHPs is $6.88 PMPM compared to $8.42 PMPM for STLDIs. While this difference in commission paid in theory could provide a slight incentive for brokers and agents to steer consumers towards STLDI plans, there is no evidence that this slight differential has, in fact, influenced consumer and agent/broker behavior in the State of Georgia for the following reasons:

- There has not been a significant growth in enrollment in STLDI plans over the last several years
- There has not been an increase in the number of issuers offering STLDI plans
- There have been minimal changes in the volume of annual rate filings for STLDI plans

To further mitigate any potential slight incentive for brokers and agents to steer consumers, they will be required to complete training on how to utilize web-broker enrollment platforms within Georgia Access. Training will include how to use the enrollment platform as well as the obligation to provide objective, unbiased information and avoid steering consumers to a specific plan. The State will continue to receive and investigate consumer complaints filed against agents and brokers. Because the State licenses and regulates producers (agents and brokers), under the Georgia Access Model, the State will have greater authority than the FFE to enforce ethics standards and consumer protections.

[21] Kaiser Family Foundation. “Broker Compensation by Health Insurance Market.” https://www.kff.org/health-costs/state-indicator/health-insurance-broker-compensation/

Table 5.10: Baseline With Waiver Reinsurance and Georgia Access Enrollment

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	39,769	39,769	58,894
Silver	277,771	277,771	279,896
Gold	16,044	16,044	16,044
Average Annual Enrollment[I]	**333,584**	**333,584**	**354,834**
On Exchange Unsubsidized			
Bronze	13,320	12,969	16,944
Silver	13,228	12,844	13,059
Gold	5,637	5,507	5,605
Catastrophic	1,794	1,748	1,937
Average Annual Enrollment[I]	**33,978**	**33,068**	**37,545**
Off Exchange Unsubsidized			
Bronze	9,656	9,510	9,695
Silver	8,941	8,801	8,971
Gold	2,497	2,450	2,496
Catastrophic	935	921	927
Average Annual Enrollment[I]	**22,029**	**21,682**	**22,089**
Total Average Annual Enrollment			
With Waiver - Reinsurance and Georgia Access	**389,592**	**388,335**	**414,468**

[I]Totals may not equal the sum of the parts due to rounding

Health Status/Risk Scores: Estimated risk scores were used to approximate the cost differential across the current population enrolled in the different metal level plans and those new to the market. Risk scores for the Georgia individual market were unavailable for this analysis. Therefore, to estimate starting risk scores of the currently enrolled population, this analysis took a weighted average of the On/Off Exchange risk scores from the 2018 Risk Adjustment Summary Report and Georgia enrollment figures. This was done at each metal level to determine metal level specific risk scores of 0.902, 1.764, and 2.160 for Bronze, Silver, and Gold respectively. The average individual market risk score, weighted by metal level enrollment, is 1.650.

While it is expected that new members from the uninsured population will be healthier than the currently enrolled population, it is highly uncertain to what degree they will be healthier. Using a study from the American Economic Council[22], it is estimated that newly enrolled individuals from the uninsured will be 73% healthier than actively enrolled individuals.

[22] Adverse Selection and an Individual Mandate: When Theory Meets Practice, 2015, available at: https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20130758

For purposes of the baseline scenario, we assumed net new enrollment into Bronze and Silver plans due to Georgia Access (i.e., 25,000 net new enrollment referenced above) would have a similar health status/risk score to the 2018 risk scores of 0.902 and 1.764 respectively. We applied the weighted average of the net new populations' risk score of 0.976 (= 22,875 x 0.902 + 2,125 * 1.764) for Georgia Access related new entrants. The health status/risk score was scenario tested to understand the financial impact of the population health status varying. Specifically, we modeled the health status/risk score for new enrollment being as high as the Gold plan population (i.e., risk score of 2.160).

Claims: These projections are only used to determine the impact of the Reinsurance Program on reducing claims costs. Therefore, there is no change versus Section 5.1.

Premiums: Refer to Section 5.1 for detailed descriptions on the assumptions and methodology used to estimate impact to QHP premiums.

The following table summarizes premiums in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline With Waiver Reinsurance and Georgia Access estimates.

Table 5.11: Baseline With Waiver Reinsurance and Georgia Access Premium PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$554	$592	$600
Silver	$626	$670	$679
Gold	$799	$773	$781
Average Premium PMPM	**$626**	**$665**	**$671**
On Exchange Unsubsidized			
Bronze	$477	$521	$525
Silver	$505	$558	$562
Gold	$576	$620	$624
Catastrophic	$283	$306	$320
Average Premium PMPM	**$494**	**$541**	**$542**
Off Exchange Unsubsidized			
Bronze	$527	$547	$550
Silver	$548	$570	$573
Gold	$540	$570	$574
Catastrophic	$235	$244	$255
Average Premium PMPM	**$524**	**$546**	**$550**
Total Premium PMPM			
With Waiver - Reinsurance and Georgia Access	**$609**	**$648**	**$652**

The following table summarizes APTCs in PYs 2018, 2022, and 2023 by metal level (including catastrophic), exchange status, and APTC/subsidy eligibility for the baseline With Waiver Reinsurance and Georgia Access estimates.

Table 5.12: Baseline With Waiver Reinsurance and Georgia Access APTC PMPM

	PY 2018	PY 2022	PY 2023
On Exchange Subsidized			
Bronze	$477	$503	$509
Silver	$559	$598	$604
Gold	$638	$609	$615
Average APTC PMPM	**$553**	**$587**	**$589**

FFE User Fees: With the implementation of the Georgia Access Model, Georgia will no longer be using the FFE. This analysis assumes Georgia will charge a state-collected user fee of 3.0% applied to all plans sold within the Georgia Access Model starting in PY 2023 similar to the FFE user fee.

The following table summarizes user fees in PYs 2018, 2022, and 2023 for the baseline With Waiver Reinsurance and Georgia Access estimates.

Table 5.13: Baseline With Waiver Reinsurance and Georgia Access User Fees

	PY 2018	PY 2022	PY 2023
Total On Exchange Premium (a)	$2,706,559,418	$2,878,434,921	$3,099,498,923
User Fee % (b)	3.5%	3.0%	3.0%
Total User Fee (a*b)	$94,729,580	$86,353,048	$92,984,968

Reinsurance Program Cost: This analysis did not make any changes to the methodology or assumptions in determining the Reinsurance Program cost due to the implementation of the Georgia Access Model. Because of the additional enrollment increase, there is a larger member base for claims to be covered by reinsurance, therefore, reinsurance program costs will increase.

State and Federal Operating/Administration Costs: The State of Georgia anticipates the initial cost to implement the Georgia Access Model prior to PY 2023 to be $6.1 million. Thereafter, the State expects $1.2 million in annual administrative/operating costs between PY 2023 and PY 2031. We assume no additional federal costs.

Section 5.2.2 – With Waiver Reinsurance and Georgia Access – Baseline Table of Estimates

The following table summarizes total enrollment, premium, APTC/subsidy, and user fees in PY 2022, PY 2023, the 5-year waiver period, and 10-year projection period. Further, this table summarizes funding estimates under Part II of the waiver, which assumes Reinsurance starting in PY 2022, and Georgia Access starting in PY 2023 and both continuing throughout the remainder of the 10-year projection period. Appendix V contains additional details, including year-by-year estimates, on the With Waiver Reinsurance and Georgia Access modeling results. The results

summarized below are used to compare against the Without Waiver baseline discussed in Section 4.

Table 5.14: Baseline With Waiver Reinsurance and Georgia Access – Key Figures and Funding Estimates

	PY 2022	PY 2023	5-Year Total	10-Year Total
With Waiver Reinsurance and Georgia Access				
Total Enrollment[I]	389,307	415,441	410,377	413,134
Total Preium (In $ millions)	$3,025	$3,249	$16,971	$38,455
Total APTC (In $ millions)	$2,349	$2,508	$13,176	$30,112
Total User Fees (In $ millions)	$86	$93	$485	$1,100
Finding Estimates (In $ millions)				
Program Costs				
Reinsurance Program Cost	$398	$435	$2,323	$5,527
Infrastructure/IT/Operational Cost (Reinsurance)[II]	$0	$0	$0	$0
Infrastructure/IT/Operational Cost (Georgia Access)	$0	$6	$10	$16
Federal Revenue Reductions				
FFE User Fees Reduction	$10	$0	$10	$10
State Funding Sources				
State User Fees	$0	($93)	($399)	($1,014)
Pass Through Funding	($306)	($288)	($1,579)	($3,695)
State Funding Requirement (In $ millions)	**$101**	**$60**	**$364**	**$844**

[I] 5-year and 10-year totals are straight average

[II] Reinsurance Infrastructure/IT/Operational Costs reduced from $750k per year to $8k per year

Section 5.2.3 – With Waiver Reinsurance and Georgia Access – Sensitivity Testing/Scenario Analysis

Due to the uncertainty surrounding some of the assumptions used in the analysis of the Georgia Access Model and its impact when combined with the Reinsurance Program, sensitivity analysis was conducted and discussed in detail with the State to ensure guardrail compliance. This analysis builds off the sensitivity analysis conducted in Section 5.1.4. The following table outlines the scenarios and assumptions tested.

Table 5.15: Detailed Summary of Sensitivity Modeling Assumptions for Reinsurance and Georgia Access – PY 2023

Assumption	Baseline Value	Baseline Assumption Support
New Enrollment	27,405	• Roughly 35,000 people left the individual market between 2017 – 2019. Modeled the impact of net increase of 25,000 re-joining due to Georgia Access • Reinsurance Program brings on an additional 2,405 members from lower premiums and price elasticity
Bronze – Subsidized	19,125	• Majority of subsidized enrollment is due to increased web-broker marketing, leading to increased enrollment across metal levels • Additional subsidized enrollment into Bronze and Silver Plans from members closer to 400% FPL (i.e., receive a lower subsidy) and now find premiums affordable • Assumed members closer to 400% FPL will not enroll in Gold Plans • Additional unsubsidized enrollment into Bronze, Silver, and Gold Plans from members now finding lower premiums affordable and potentially buying up from Bronze due to reinsurance program
Silver – Subsidized	2,125	
Bronze – Unsubsidized	4,812	
Silver – Unsubsidized	970	
Gold – Subsidized	0	
Gold – Unsubsidized	373	
Risk Scores (New Population)		
Bronze	0.976	• Assumes members coming into Bronze and Silver Plans due to Georgia Access will resemble the weighted average between current Bronze (0.902) and Silver (1.764) population • Members joining due to Reinsurance Program reflect the average risk score of the metal tier (i.e. 0.902 for Bronze, 1.764 for Silver, and 2.160 for Gold)
Silver	0.976 / 1.764	
Gold	2.160	
% of New Enrollment Subsidized	85%	• Assumed incoming group of new enrollment due to Georgia Access will reflect the makeup of the current uninsured population over 100% FPL, of which approximately 85% are subsidy-eligible

Table 5.16a: Summary of Scenario Assumptions for Reinsurance and Georgia Access Sensitivity Analysis

		New Enrollment On Exchange Subsidized			New Enrollment On Exchange Unsubsidized			New Enrollment Off Exchange Unsubsidized			New Population Health Status (Risk Score)			Premium Change (%)			
	Scenario	B	S	G	B	S	G	B	S	G	B	S	G	B	S	G	Total
	Base	19,125	2,125	0	4,290	493	250	522	477	123	0.976	0.976		-12.8%	-12.8%	-19.5%	-13.8%
Enrollment	1	11,475	1,275	0	2,727	431	223	476	434	111	0.976	0.976		-11.8%	-11.7%	-18.4%	-12.5%
	2	26,775	2,975	0	5,850	552	275	566	517	134	0.976	0.976		-13.8%	-13.8%	-20.5%	-15.0%
	3	0	0	0	376	330	181	403	366	92	0.976	0.976		-10.2%	-9.9%	-16.6%	-10.4%
Risk Score	4	19,125	2,125	0	4,304	507	256	532	486	126	0.902	0.902		-13.0%	-13.0%	-19.7%	-14.0%
	5	19,125	2,125	0	4,312	515	260	539	492	127	0.857	0.857		-13.2%	-13.2%	-19.9%	-14.2%
	6	19,125	2,125	0	4,285	488	248	519	474	122	1.000	1.000		-12.7%	-12.7%	-19.4%	-13.7%
	7	19,125	2,125	0	4,247	450	232	491	448	115	1.205	1.205		-12.0%	-12.0%	-18.7%	-13.0%
	8	19,125	2,125	0	4,067	272	156	360	326	81	2.160	2.160		-8.7%	-8.8%	-15.6%	-9.8%
Gold	9	18,169	2,019	1,063	3,730	833	431	511	466	120	0.976	0.976	2.160	-12.5%	-12.5%	-19.0%	-13.4%
Subsidy %	10	11,250	1,250	0	11,789	1,742	250	522	477	123	0.976	0.976		-13.8%	-12.9%	-19.5%	-14.0%
	11	20,250	2,250	0	2,789	742	250	522	477	123	0.976	0.976		-12.6%	-12.8%	-19.5%	-13.7%
Better	12	15,750	1,750	0	16,379	2,331	288	587	537	140	0.857	0.857		-15.6%	-14.5%	-21.0%	-15.8%
Worse	13	11,138	1,238	1,125	1,674	528	331	447	407	104	1.205	1.205	2.160	-10.9%	-11.0%	-17.5%	-11.6%

Table 5.16b: Summary of Scenario Assumptions for Reinsurance and Georgia Access Sensitivity Analysis – PY 2023

Scenario	1 – Baseline	2 – Worse Experience	3 – Better Experience
QHP Premium Impact Reinsurance and Georgia Access	-13.8%	-11.6%	-15.8%
Additional # Subsidized Enrollees - Total[I]	21,250	13,500	17,500
Bronze	19,125	11,138	15,750
Silver	2,125	1,237	1,750
Gold	0	1,125	0
Additional # Unsubsidized Enrollees - Total[I]	6,155	3,490	20,263
Bronze	4,812	2,120	16,967
Silver	970	935	2,869
Gold	373	435	428

[I]Totals may not equal sum of the parts due to rounding

The following table summarizes the results of the sensitivity analysis. Results are shown for PY 2023 – the first year of the Reinsurance and Georgia Access Model combined. Average statewide QHP premium decreases range from 11.6% to 15.8%, passthrough dollars range from $275 million to $361 million, and estimated state funding requirement ranges from negative $17 million to $75 million.

Table 5.17: Reinsurance and Georgia Access Sensitivity Analysis – PY 2023

	1 - Baseline	2 - Worse Experience	3 - Better Experience
With Waiver Reinsurance and Georgia Access			
Total Enrollment Change (%)	7.1%	4.5%	9.8%
QHP Premium Change (%)	-13.8%	-11.6%	-15.8%
Aggregate Premium Change (%)	-3.2%	-3.3%	-3.1%
APTC Change (In $ millions)	($147)	($134)	($221)
User Fees Change (In $ millions)	($3)	($3)	($3)
Finding Estimates (In $ millions)			
Program Costs			
Reinsurance Program Cost	$435	$437	$431
Infrastructure/IT/Operational Cost (Reinsurance)[I]	$0	$0	$0
Infrastructure/IT/Operational Cost (Georgia Access)	$6	$6	$6
Federal Revenue Reductions			
FFE User Fees Reduction[II]	$0	$0	$0
State Funding Sources			
State User Fees	($93)	($93)	($93)
Pass Through Funding	($288)	($275)	($361)
State Funding Requirement (In $ millions)	**$60**	**$75**	**($17)**

[I] Reinsurance Infrastructure/IT/Operational Costs reduced from $750k per year to $8k per year

[II] FEE User Fee Reduction shown for illustrative purposes to compare against Reinsurance Only figures

Key results from scenario testing are highlighted below:

- Under every modeled scenario, premium reduction is below zero indicating a positive impact of the Reinsurance Program and Georgia Access on the individual market
- More enrollment into Georgia Access equates to a larger premium reduction assuming new enrollment is healthier than the current population enrolled in the individual market, as research suggests
- Under the worse experience scenario (Scenario 13), QHP premiums are a bit higher than the baseline scenario driven by a higher average risk score for the incoming population. This scenario also assumes a lower increase in enrollment. As shown, under these assumptions the estimated average premium decrease for reinsurance and Georgia Access combined is still an average 11.6% reduction for PY23
- Under an extreme scenario (Scenario 8) where all new baseline enrollment has an average risk score / health status equivalent to the historical Gold plan, there is still a premium reduction of nearly 10% due to the reinsurance program.

Section 6: CMS Guardrails

Section 6.1 – Coverage

According to the CMS Checklist, "a section 1332 state plan may comply with the coverage requirement if a comparable number of state residents eligible for coverage under Title I of the PPACA will have health care coverage under the section 1332 state plan as would have had coverage absent the waiver".

Section 6.1.1 – Coverage Guardrail for Reinsurance Only

As described in Section 2.3 and in greater detail in Section 5.1, the number of individuals covered is estimated to increase compared to coverage in the baseline Without Waiver scenario. This increase is due to migration from the uninsured as a result of lower available premiums. No coverage changes due to the waiver are estimated in other forms of public and private coverage.

Section 6.1.2 – Coverage Guardrail for Reinsurance and Georgia Access

As described in Section 2.3 and in greater detail in Section 5.2, the number of individuals covered is estimated to increase compared to coverage in the baseline Without Waiver scenario. This increase is due to migration from the uninsured as a result of (1) lower premiums due to the Reinsurance Program, and (2) increased web-broker marketing efforts as a result of the Georgia Access Model. No coverage changes due to the waiver are estimated in other forms of public and private coverage.

Section 6.2 – Comprehensiveness and Affordability

According to the CMS checklist, "a section 1332 state plan may comply with the comprehensiveness and affordability requirements if access to coverage that is as affordable and comprehensive as coverage forecasted to have been available in the absence of the waiver is projected to be available to a comparable number of people under the waiver".

Section 6.2.1 – Comprehensiveness and Affordability Guardrails for Reinsurance Only

The waiver has no impact on the comprehensiveness of available coverage, compared to the baseline Without Waiver scenario. It is assumed QHPs offered in the market will continue to be available in the post waiver environment.

Due to the Reinsurance Program, available coverage will be more affordable for members not receiving a subsidy and will not change or decrease for those receiving a state subsidy. Premiums are estimated to decrease statewide by approximately 10.2% compared to the baseline Without Waiver scenario in PY 22. As described in Section 2, higher premium reductions are estimated in rating areas with higher premiums, and lower premium reductions are estimated in rating areas with lower premiums.

Section 6.2.2 – Comprehensiveness and Affordability Guardrails for Reinsurance and Georgia Access

The waiver has no impact on the comprehensiveness of available coverage, compared to the baseline Without Waiver scenario. It is assumed QHPs offered in the market will continue to be available in the post waiver environment as these are only plan types that are eligible for APTCs.

The combination of the Reinsurance Program and Georgia Access is estimated to attract more enrollment into the market. The impact is estimated to improve the overall individual market population health and, therefore, overall market premiums. Premiums are estimated to decrease statewide by approximately 10.2% in PY 2022 and 13.8% in PY 2023 compared to the baseline Without Waiver scenario. As described in Section 5.2, premium impact may vary based on actual market conditions, but the combination of reinsurance and Georgia Access under each modeled scenario improves affordability (i.e. lowers overall premiums).

Section 6.3 – Federal Deficit Neutrality

The CMS checklist requires "an economic analysis to support the State's finding that the waiver will not increase the federal deficit over the period of the waiver (which may not exceed five years unless renewed) or in total over the 10-year budget period".

Section 6.2.1 – Federal Deficit Neutrality Guardrail for Reinsurance Only

For Reinsurance Only, net federal spending is estimated to decrease by approximately $306 million for PY 2022. The components of this decrease reflect the reduction in APTC spending due to lower premiums resulting from the Reinsurance Program. Note that the reduction in APTC spending reduces federal spending. Estimates for PY 2022 and PY 2023, as well as the 5-year and 10-year periods are shown in the following table. Estimates for each individual year are shown in Appendix IV, Table IV.I.

Table 6.1: Deficit Impact of Reinsurance Only (in millions)

Category of Impact	PY 2022	PY 2023	5-Year Total	10-Year Total
Baseline Without Waiver				
Federal Expenses				
(a) Total APTC	$2,655	$2,796	$14,754	$33,807
With Waiver (Reinsurance Only)				
Federal Expenses				
(b) Total APTC	$2,349	$2,469	$13,001	$29,647
Comparison				
(c) Total APTC Reduction (a - b)	$306	$327	$1,753	$4,160
(d) Estimated Net Federal Savings (c)	**$306**	**$327**	**$1,753**	**$4,160**

Section 6.2.2 – Federal Deficit Neutrality Guardrail for Reinsurance and Georgia Access

For the Reinsurance Program and Georgia Access model combined, the net federal spending is estimated to decrease by approximately $306 million for PY 2022, $288 million for PY 2023, averaging $370 million annually over 10 years. As described further in Section 6, this impact accounts for the reduction in APTC spending due to Reinsurance Program and premium reduction due to overall health status improvement as well as the offsetting impact of increased enrollment growth. As previously described, the waiver is estimated to decrease federal spending, and thus not increase the federal deficit, in each year of the 5-year waiver and 10-year periods. Estimates for PY 2022 and PY 2023, as well as aggregate estimates for these 5-year and 10-year periods are shown in the following table. Estimates for each individual year are shown in Appendix V, Table V.I. We understand Georgia is requesting pass through funding equal to the net federal savings.

Table 6.2: Deficit Impact of Reinsurance and Georgia Access Model (in millions)

Category of Impact	PY 2022	PY 2023	5-Year Total	10-Year Total
Baseline Without Waiver				
Federal Expenses				
(a) Total APTC	$2,655	$2,796	$14,754	$33,807
With Waiver (Reinsurance and Georgia Access)				
Federal Expenses				
(b) Total APTC	$2,349	$2,508	$13,176	$30,112
Comparison				
(c) Total APTC Reduction (a - b)	$306	$288	$1,579	$3,695
(d) Estimated Net Federal Savings (c)	**$306**	**$288**	**$1,579**	**$3,695**

Section 7: Actuarial Certification

I, Timothy FitzPatrick, am a Principal with Deloitte Consulting LLP (Deloitte Consulting). I am an Associate of the Society of Actuaries and a Member of the American Academy of Actuaries. I meet the Academy's qualification standards for rendering this opinion.

The State of Georgia retained Deloitte Consulting to develop this actuarial and economic analysis, a component of the State of Georgia's 1332 waiver application.

I certify that the estimates presented in this analysis:

- Have been developed in accordance with applicable actuarial standards of practice
- Address section 45 CFR 155.1308(f)(4)(i)-(iii) and are consistent with the CMS "Checklist for Section 1332 State Relief and Empowerment Waivers Applications" (updated July 2019)

In this analysis, we relied on historical claims and enrollment experience data provided to us as outlined in Section 5. We reviewed the data for reasonableness and consistency during the course of our work; however, we have not audited any of the data we received. If the underlying data or information provided is inaccurate or incomplete, the results of our review may likewise be inaccurate or incomplete.

Estimates developed by Deloitte Consulting are based on actuarial analysis of future costs and enrollment for PYs 2019 – 2031. It may be expected that actual experience will vary from the values shown here.

This document is solely for the information and use of the State of Georgia in support of its 1332 waiver application and is not for the benefit of or to be relied upon by any other person or entity. Deloitte Consulting understands this document may be made public as a component of the 1332 waiver application.

Timothy FitzPatrick, ASA, MAAA
Deloitte Consulting LLP

Appendix I: High Level Assumptions

Table I.I: Without Waiver High Level Key Assumptions

Assumption	Value
Enrollment Change	Stable at estimated 2019 levels
Claim Trend	5.1%
Premium Trend	Pure Premium trended at 5.1%, NBE trended at 4.0%
User Fee %	3.5% in 2018 and 2019, 3.0% 2020 through 2031

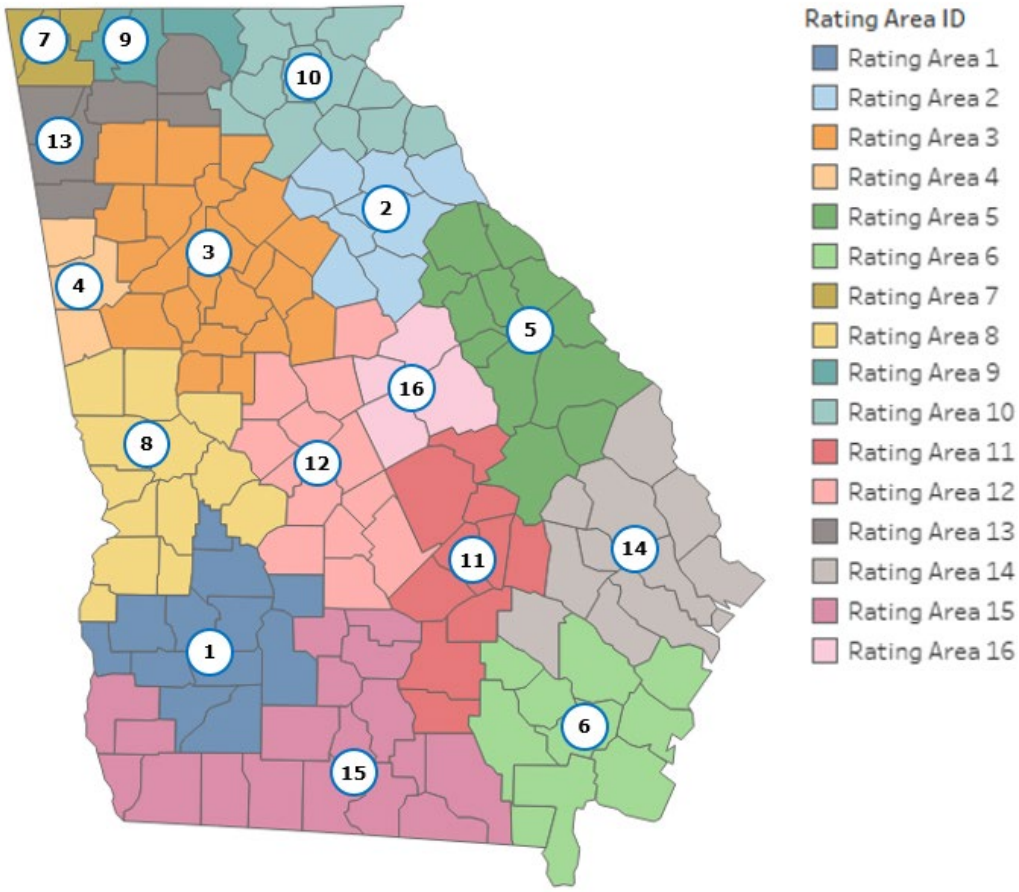
Table I.II: Reinsurance Only Key Assumptions

Assumption	Value
Enrollment Change due to Price Sensitivity	0.4% per 1% decrease in premiums relative to Without Waiver
Claim Trend	5.1%
Premium Trend	Pure Premium trended at 5.1%, NBE trended at 4.0%
Morbidity Improvement	0.5% per 1% increase in enrollment
User Fee %	3.5% in 2018 and 2019, 3.0% 2020 through 2031
Reinsurance Insurer Conservatism	15%
Operating/Administration Costs	$8,000 per year

Table I.III: Reinsurance and Georgia Access Key Assumptions for PY 2023

Assumption	Value
New Enrollment – Total	27,405
New Enrollment – Bronze Subsidized	19,125
New Enrollment – Silver Subsidized	2,125
New Enrollment – Bronze Unsubsidized	4,812
New Enrollment – Silver Unsubsidized	970
New Enrollment – Gold Unsubsidized	373
Operating/Administration Costs	$6.11 million in PY 2023 ($4.9 million up-front costs, $1.21 million annual costs), $1.21 million in PY 2024 – PY 2031

Appendix II: Map of Georgia Rating Areas



Note: Georgia Rating Areas: Including State Specific Geographic Divisions, available at: https://www.cms.gov/cciio/programs-and-initiatives/health-insurance-market-reforms/ga-gra.html

Appendix III: County Description of Sub-Area as used in SLCSP Projections

Rating Area [I]	Sub-area	County (2019)
1	Entire Area	Baker, Calhoun, Clay, Crisp, Dougherty, Lee, Mitchell, Randolph, Schley, Sumter, Terrell, Worth
2	A	Barrow, Clarke, Elbert, Greene, Jackson, Madison, Oconee
2	B	Morgan, Oglethorpe
3	A	Bartow, Coweta, Lamar, Pike
3	B	Butts, Clayton, Newton, Paulding, Rockdale, Spalding, Walton
3	C	Cherokee, Cobb, Dekalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry
3	D	Jasper
4	Entire Area	Carroll, Haralson, Heard
5	A	Burke, Columbia, Emanuel, Glascock, Jefferson, Jenkins, Lincoln, Mcduffie, Taliaferro, Warren, Wilkes
5	B	Richmond
6	A	Bacon, Brantley, Camden, Glynn, Mcintosh, Pierce, Wayne
6	B	Charlton, Ware
7	Entire Area	Catoosa, Dade, Walker
8	A	Chattahoochee, Harris, Macon, Marion, Meriwether, Muscogee, Quitman, Stewart, Talbot, Taylor, Troup, Webster
8	B	Upson
9	A	Fannin
9	B	Murray, Whitfield
10	Entire Area	Banks, Dawson, Franklin, Habersham, Hall, Hart, Lumpkin, Rabun, Stephens, Towns, Union, White
11	A	Atkinson, Johnson, Laurens
11	B	Coffee, Jeff Davis, Montgomery, Telfair, Toombs, Treutlen, Wheeler
12	A	Bibb, Bleckley, Dodge, Dooly, Houston, Jones, Monroe, Peach, Pulaski, Putnam, Twiggs, Wilcox
12	B	Crawford
13	A	Chattooga
13	B	Floyd, Gilmer, Pickens, Polk
13	C	Gordon
14	Entire Area	Appling, Bryan, Bulloch, Candler, Chatham, Effingham, Evans, Liberty, Long, Screven, Tattnall
15	A	Ben Hill, Irwin, Miller
15	B	Berrien, Brooks, Clinch, Colquitt, Cook, Decatur, Early, Echols, Grady, Lanier, Lowndes, Seminole, Thomas, Tift, Turner
16	Entire Area	Baldwin, Hancock, Washington, Wilkinson

[I] Rating areas are as shown at https://www.cms.gov/cciio/programs-and-initiatives/health-insurance-market-reforms/ga-gra.html (accessed Sept 29, 2019)

Appendix IV: Detailed Estimates for Part I: Reinsurance Program Only

Table IV.I: 10-year Federal Deficit Comparison Without and With Waiver (Reinsurance Only) (in $ millions)

Category of Impact	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baseline Without Waiver										
Federal Expenses										
(a) Total APTC	$2,655	$2,796	$2,943	$3,098	$3,261	$3,432	$3,612	$3,801	$3,999	$4,208
With Waiver (Reinsurance Only)										
Federal Expenses										
(b) Total APTC	$2,349	$2,469	$2,594	$2,725	$2,864	$3,009	$3,162	$3,322	$3,488	$3,664
Comparison [III]										
(c) Total APTC Reduction (a - b)	$306	$327	$349	$373	$398	$423	$450	$479	$511	$544
(d) Estimated Net Federal Savings (c)	**$306**	**$327**	**$349**	**$373**	**$398**	**$423**	**$450**	**$479**	**$511**	**$544**

Table IV.II: Baseline Without and With Waiver (Reinsurance Only) and Funding Estimates, PYs 2022-2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baseline Without Waiver										
Enrollment										
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Unsubsidized	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279
Off Exchange Unsubsidized	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928
Grandfathered	972	972	972	972	972	972	972	972	972	972
Total[I]	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**
PMPM										
On Exchange Subsidized	$742	$778	$816	$856	$899	$943	$989	$1,038	$1,089	$1,143
On Exchange Unsubsidized	$586	$615	$645	$677	$710	$745	$781	$820	$860	$903
Off Exchange Unsubsidized	$621	$652	$684	$717	$753	$790	$829	$869	$912	$957
Grandfathered	$342	$359	$377	$395	$415	$435	$457	$479	$503	$527
Total[I]	**$721**	**$757**	**$794**	**$833**	**$874**	**$917**	**$962**	**$1,009**	**$1,059**	**$1,111**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,969	$3,114	$3,268	$3,428	$3,597	$3,774	$3,960	$4,155	$4,359	$4,574
On Exchange Unsubsidized	$227	$238	$250	$262	$275	$288	$303	$318	$333	$350
Off Exchange Unsubsidized	$156	$164	$172	$180	$189	$198	$208	$218	$229	$240
Grandfathered	$4	$4	$4	$5	$5	$5	$5	$6	$6	$6
Total[I]	**$3,355**	**$3,520**	**$3,693**	**$3,875**	**$4,066**	**$4,266**	**$4,476**	**$4,696**	**$4,927**	**$5,170**
With Waiver										
Target Reinsurance Funding (In $ millions)	$306	$327	$349	$373	$398	$423	$450	$479	$511	$544
Percent Change in Premium	-10.2%	-10.5%	-10.7%	-10.9%	-11.0%	-11.2%	-11.3%	-11.5%	-11.7%	-11.9%
Percent Change in Enrollment	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%
Enrollment										
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Unsubsidized	33,068	33,218	33,260	33,285	33,304	33,322	33,340	33,358	33,380	33,399
Off Exchange Unsubsidized	21,682	21,828	21,870	21,895	21,915	21,934	21,953	21,972	21,995	22,016
Grandfathered	972	972	972	972	972	972	972	972	972	972
Total[I]	**389,307**	**389,602**	**389,687**	**389,737**	**389,777**	**389,813**	**389,849**	**389,887**	**389,932**	**389,972**
PMPM										
On Exchange Subsidized	$665	$697	$729	$764	$800	$837	$877	$919	$962	$1,007
On Exchange Unsubsidized	$541	$565	$592	$620	$650	$681	$713	$747	$783	$820
Off Exchange Unsubsidized	$546	$570	$597	$624	$653	$684	$716	$749	$784	$821
Grandfathered	$342	$359	$377	$395	$415	$435	$457	$479	$503	$527
Total[I]	**$647**	**$678**	**$709**	**$743**	**$778**	**$814**	**$853**	**$893**	**$935**	**$979**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,664	$2,789	$2,920	$3,056	$3,201	$3,352	$3,511	$3,677	$3,850	$4,032
On Exchange Unsubsidized	$215	$225	$236	$248	$260	$272	$285	$299	$314	$329
Off Exchange Unsubsidized	$142	$149	$157	$164	$172	$180	$189	$198	$207	$217
Grandfathered	$4	$4	$4	$5	$5	$5	$5	$6	$6	$6
Total[I]	**$3,025**	**$3,168**	**$3,317**	**$3,473**	**$3,637**	**$3,810**	**$3,990**	**$4,180**	**$4,376**	**$4,583**
Funding Estimates (In $ millions)										
Program Costs										
Reinsurance Program Cost	$398	$426	$455	$486	$518	$551	$586	$624	$666	$709
Infrastructure/IT/Operational Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Federal Revenue Reductions										
FFE User Fees Reduction	$10	$10	$11	$12	$12	$13	$14	$15	$16	$17
State Funding Sources										
Pass Through Funding	($306)	($327)	($349)	($373)	($398)	($423)	($450)	($479)	($511)	($544)
State Funding Requirement (In $ millions)[I]	**$101**	**$109**	**$116**	**$124**	**$133**	**$141**	**$150**	**$160**	**$171**	**$182**

[I]Totals may not equal the sum of the parts due to rounding

Table IV.III: SLCSP Premium PMPM Without Waiver by Rating Area and Issuer Specific Service Area, PYs 2022 – 2031

Rating Area	Sub-area [1]	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baaseline Without Waiver SLCSP Premium PMPM											
1	Entire Area	$515	$540	$567	$595	$624	$654	$687	$720	$756	$793
2	A	$385	$404	$424	$445	$467	$490	$514	$539	$566	$593
2	B	$601	$631	$662	$694	$728	$764	$802	$841	$882	$926
3	A	$518	$543	$570	$598	$627	$658	$690	$724	$760	$797
3	B	$412	$432	$454	$476	$499	$524	$550	$577	$605	$635
3	C	$392	$411	$431	$453	$475	$498	$523	$548	$575	$604
3	D	$616	$646	$678	$711	$746	$782	$821	$861	$904	$948
4	Entire Area	$778	$816	$856	$898	$942	$988	$1,037	$1,088	$1,141	$1,198
5	A	$524	$549	$576	$605	$634	$666	$698	$733	$769	$807
5	B	$506	$531	$557	$584	$613	$643	$675	$708	$743	$779
6	A	$360	$378	$396	$416	$436	$458	$480	$504	$529	$555
6	B	$697	$731	$767	$804	$844	$885	$929	$975	$1,023	$1,073
7	Entire Area	$390	$410	$430	$451	$473	$496	$521	$546	$573	$601
8	A	$397	$416	$437	$458	$481	$504	$529	$555	$582	$611
8	B	$641	$673	$706	$741	$777	$815	$855	$897	$942	$988
9	A	$528	$554	$582	$610	$640	$672	$705	$739	$776	$814
9	B	$372	$390	$409	$429	$450	$473	$496	$520	$546	$573
10	Entire Area	$567	$595	$624	$655	$687	$720	$756	$793	$832	$873
11	A	$712	$747	$784	$822	$863	$905	$949	$996	$1,045	$1,097
11	B	$331	$347	$364	$382	$401	$421	$442	$463	$486	$510
12	A	$401	$421	$442	$463	$486	$510	$535	$561	$589	$618
12	B	$626	$656	$689	$722	$758	$795	$834	$875	$918	$964
13	A	$546	$573	$601	$631	$662	$694	$728	$764	$802	$841
13	B	$538	$565	$592	$621	$652	$684	$718	$753	$790	$829
13	C	$330	$346	$363	$381	$400	$420	$440	$462	$485	$508
14	Entire Area	$407	$427	$448	$470	$493	$518	$543	$570	$598	$627
15	A	$333	$350	$367	$385	$404	$424	$444	$466	$489	$513
15	B	$805	$845	$886	$930	$975	$1,023	$1,074	$1,126	$1,182	$1,240
16	Entire Area	$597	$626	$657	$689	$723	$758	$796	$835	$876	$919

[1] *List of counties in each sub-area are shown in Appendix III*

Table IV.IV: SLCSP Premium PMPM With Waiver (Reinsurance Only) by Rating Area and Issuer Specific Service Area, PYs 2022 – 2031

Rating Area	Sub-area [1]	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baaseline Without Waiver SLCSP Premium PMPM											
1	Entire Area	$438	$457	$476	$496	$516	$538	$561	$585	$609	$635
2	A	$364	$380	$397	$414	$432	$451	$471	$492	$514	$536
2	B	$568	$593	$619	$646	$674	$704	$735	$768	$801	$836
3	A	$489	$511	$533	$556	$581	$606	$633	$661	$690	$720
3	B	$390	$407	$424	$443	$462	$483	$504	$526	$549	$573
3	C	$370	$387	$404	$421	$440	$459	$479	$500	$522	$545
3	D	$582	$607	$634	$662	$691	$721	$753	$786	$820	$856
4	Entire Area	$577	$600	$623	$646	$672	$698	$726	$755	$783	$814
5	A	$495	$517	$539	$563	$588	$613	$640	$669	$698	$729
5	B	$478	$499	$521	$544	$568	$593	$619	$646	$674	$704
6	A	$267	$278	$288	$299	$311	$324	$336	$350	$363	$377
6	B	$517	$537	$558	$579	$602	$626	$650	$676	$702	$729
7	Entire Area	$332	$346	$361	$376	$392	$408	$425	$443	$462	$481
8	A	$375	$391	$409	$426	$445	$465	$485	$507	$529	$552
8	B	$606	$633	$660	$689	$720	$751	$784	$819	$855	$892
9	A	$450	$469	$488	$509	$530	$552	$576	$600	$625	$651
9	B	$317	$330	$343	$358	$373	$389	$405	$422	$440	$458
10	Entire Area	$421	$437	$454	$471	$490	$509	$529	$550	$571	$593
11	A	$529	$549	$570	$592	$615	$640	$665	$691	$717	$745
11	B	$246	$255	$265	$275	$286	$297	$309	$321	$334	$347
12	A	$342	$356	$371	$386	$402	$419	$437	$456	$474	$494
12	B	$533	$555	$578	$602	$628	$654	$682	$710	$740	$771
13	A	$405	$421	$437	$454	$472	$491	$510	$530	$550	$572
13	B	$400	$415	$431	$447	$465	$483	$503	$522	$542	$563
13	C	$245	$255	$264	$274	$285	$297	$308	$320	$333	$346
14	Entire Area	$385	$402	$419	$438	$457	$477	$498	$520	$543	$567
15	A	$247	$257	$267	$277	$288	$299	$311	$323	$336	$349
15	B	$598	$621	$645	$669	$696	$723	$752	$781	$811	$843
16	Entire Area	$508	$529	$551	$574	$599	$624	$650	$678	$706	$735

[1] *List of counties in each sub-area are shown in Appendix III*

Table IV.V: Baseline Without Waiver and With Waiver (Reinsurance Only) Enrollment by FPL, PYs 2022 – 2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
On Exchange Subsidized										
Baseline Without Waiver										
<100% of FPL	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303
≥100% to ≤150% of FPL	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800
>150% to ≤200% of FPL	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063
>200% to ≤250% of FPL	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542
>250% to ≤300% of FPL	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224
>300% to ≤400% of FPL	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110
>400% of FPL	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
With Waiver										
<100% of FPL	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303
≥100% to ≤150% of FPL	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800
>150% to ≤200% of FPL	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063
>200% to ≤250% of FPL	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542
>250% to ≤300% of FPL	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224
>300% to ≤400% of FPL	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110
>400% of FPL	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
On Exchange Unsubsidized										
Baseline Without Waiver										
<100% of FPL	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
≥100% to ≤150% of FPL	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517
>150% to ≤200% of FPL	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537
>200% to ≤250% of FPL	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886
>250% to ≤300% of FPL	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175
>300% to ≤400% of FPL	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505
>400% of FPL	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065
Average Annual Enrollment[1]	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**
With Waiver										
<100% of FPL	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
≥100% to ≤150% of FPL	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517
>150% to ≤200% of FPL	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537
>200% to ≤250% of FPL	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886
>250% to ≤300% of FPL	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175
>300% to ≤400% of FPL	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505
>400% of FPL	1,854	2,004	2,046	2,071	2,090	2,108	2,125	2,143	2,165	2,185
Average Annual Enrollment[1]	**33,068**	**33,218**	**33,260**	**33,285**	**33,304**	**33,322**	**33,340**	**33,358**	**33,380**	**33,399**
Off Exchange Unsubsidized										
Baseline Without Waiver										
<100% of FPL	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684
≥100% to ≤150% of FPL	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609
>150% to ≤200% of FPL	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842
>200% to ≤250% of FPL	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348
>250% to ≤300% of FPL	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
>300% to ≤400% of FPL	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376
>400% of FPL	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846
Average Annual Enrollment[1]	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**
With Waiver										
<100% of FPL	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684
≥100% to ≤150% of FPL	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609
>150% to ≤200% of FPL	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842
>200% to ≤250% of FPL	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348
>250% to ≤300% of FPL	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
>300% to ≤400% of FPL	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376
>400% of FPL	9,600	9,746	9,788	9,813	9,833	9,852	9,871	9,890	9,913	9,934
Average Annual Enrollment[1]	**21,682**	**21,828**	**21,870**	**21,895**	**21,915**	**21,934**	**21,953**	**21,972**	**21,995**	**22,016**

[1] *Totals may not equal sum of the parts due to rounding*

Table IV.VI: Baseline Without Waiver and With Waiver (Reinsurance Only) Average Annual Enrollment by Metal Level, PYs 2022 – 2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
On Exchange Subsidized										
Baseline Without Waiver										
Bronze	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769
Silver	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771
Gold	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
With Waiver										
Bronze	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769
Silver	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771
Gold	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
On Exchange Unsubsidized										
Baseline Without Waiver										
Bronze	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654
Silver	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566
Gold	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355
Catastrophic	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704
Average Annual Enrollment[1]	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**
With Waiver										
Bronze	12,969	13,029	13,046	13,056	13,064	13,071	13,078	13,086	13,095	13,102
Silver	12,844	12,896	12,911	12,920	12,926	12,932	12,938	12,944	12,952	12,958
Gold	5,507	5,536	5,544	5,549	5,553	5,556	5,560	5,563	5,568	5,572
Catastrophic	1,748	1,757	1,759	1,760	1,761	1,762	1,763	1,764	1,766	1,767
Average Annual Enrollment[1]	**33,068**	**33,218**	**33,260**	**33,285**	**33,304**	**33,322**	**33,340**	**33,358**	**33,380**	**33,399**
Off Exchange Unsubsidized										
Baseline Without Waiver										
Bronze	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173
Silver	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494
Gold	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373
Catastrophic	888	888	888	888	888	888	888	888	888	888
Average Annual Enrollment[1]	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**
With Waiver										
Bronze	9,510	9,576	9,594	9,606	9,615	9,623	9,632	9,640	9,651	9,660
Silver	8,801	8,860	8,878	8,888	8,896	8,904	8,911	8,919	8,929	8,937
Gold	2,450	2,465	2,469	2,472	2,474	2,476	2,477	2,479	2,482	2,484
Catastrophic	921	927	929	930	931	931	932	933	934	935
Average Annual Enrollment[1]	**21,682**	**21,828**	**21,870**	**21,895**	**21,915**	**21,934**	**21,953**	**21,972**	**21,995**	**22,016**
Total Average Annual Enrollment										
Baseline Without Waiver	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**
With Waiver	**388,335**	**388,630**	**388,714**	**388,765**	**388,804**	**388,841**	**388,877**	**388,914**	**388,960**	**389,000**

[1] *Totals may not equal sum of the parts due to rounding*

Table IV.VII: Baseline Without Waiver PY 2022 Average Annual Enrollment by FPL and Metal Level

	Bronze	Silver	Gold	Catastrophic	Total
On Exchange Subsidized					
0% to 100% FPL	2,299	5,152	853	N/A	8,303
100% to 150% FPL	8,625	160,363	812	N/A	169,800
150% to 200% FPL	6,708	60,136	1,219	N/A	68,063
200% to 250% FPL	6,708	25,773	4,062	N/A	36,542
250% to 300% FPL	6,708	11,454	4,062	N/A	22,224
300% to 400% FPL	7,187	11,454	4,468	N/A	23,110
400%+ FPL	1,534	3,439	569	N/A	5,543
Total[I]	**39,769**	**277,771**	**16,044**	**N/A**	**333,584**
On Exchange Unsubsidized					
0% to 100% FPL	731	233	285	346	1,595
100% to 150% FPL	2,744	7,255	271	247	10,517
150% to 200% FPL	2,134	2,721	407	275	5,537
200% to 250% FPL	2,134	1,166	1,356	230	4,886
250% to 300% FPL	2,134	518	1,356	166	4,175
300% to 400% FPL	2,287	518	1,491	209	4,505
400%+ FPL	488	156	190	231	1,065
Total[I]	**12,654**	**12,566**	**5,355**	**1,704**	**32,279**
Off Exchange Unsubsidized					
0% to 100% FPL	1,615	1,495	418	156	3,684
100% to 150% FPL	705	653	182	68	1,609
150% to 200% FPL	807	748	209	78	1,842
200% to 250% FPL	591	547	153	57	1,348
250% to 300% FPL	536	496	139	52	1,223
300% to 400% FPL	1,042	965	269	101	2,376
400%+ FPL	3,877	3,590	1,003	375	8,846
Total[I]	**9,173**	**8,494**	**2,373**	**888**	**20,928**

[I] *Totals may not equal sum of the parts due to rounding*

Table IV.VIII: With Waiver (Reinsurance Only) PY 2022 Average Annual Enrollment by FPL and Metal Level

	Bronze	Silver	Gold	Catastrophic	Total
On Exchange Subsidized					
0% to 100% FPL	2,299	5,152	853	N/A	8,303
100% to 150% FPL	8,625	160,363	812	N/A	169,800
150% to 200% FPL	6,708	60,136	1,219	N/A	68,063
200% to 250% FPL	6,708	25,773	4,062	N/A	36,542
250% to 300% FPL	6,708	11,454	4,062	N/A	22,224
300% to 400% FPL	7,187	11,454	4,468	N/A	23,110
400%+ FPL	1,534	3,439	569	N/A	5,543
Total[I]	**39,769**	**277,771**	**16,044**	**N/A**	**333,584**
On Exchange Unsubsidized					
0% to 100% FPL	731	233	285	346	1,595
100% to 150% FPL	2,744	7,255	271	247	10,517
150% to 200% FPL	2,134	2,721	407	275	5,537
200% to 250% FPL	2,134	1,166	1,356	230	4,886
250% to 300% FPL	2,134	518	1,356	166	4,175
300% to 400% FPL	2,287	518	1,491	209	4,505
400%+ FPL	804	433	342	275	1,854
Total[I]	**12,969**	**12,844**	**5,507**	**1,748**	**33,068**
Off Exchange Unsubsidized					
0% to 100% FPL	1,615	1,495	418	156	3,684
100% to 150% FPL	705	653	182	68	1,609
150% to 200% FPL	807	748	209	78	1,842
200% to 250% FPL	591	547	153	57	1,348
250% to 300% FPL	536	496	139	52	1,223
300% to 400% FPL	1,042	965	269	101	2,376
400%+ FPL	4,215	3,897	1,080	408	9,600
Total[I]	**9,510**	**8,801**	**2,450**	**921**	**21,682**

[I] *Totals may not equal sum of the parts due to rounding*

Table IV.IX: 10-Year Projection of Key Figures – Without Waiver and With Waiver (Reinsurance Only)

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Without Waiver										
Total Enrollment	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764
Total Premium (In $ millions)	$3,355	$3,520	$3,693	$3,875	$4,066	$4,266	$4,476	$4,696	$4,927	$5,170
Total APTC (In $ millions)	$2,655	$2,796	$2,943	$3,098	$3,261	$3,432	$3,612	$3,801	$3,999	$4,208
Total FFE User Fees (In $ millions)	$96	$101	$106	$111	$116	$122	$128	$134	$141	$148
Total State User Fees (In $ millions)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
With Waiver										
Total Enrollment	389,307	389,602	389,687	389,737	389,777	389,813	389,849	389,887	389,932	389,972
Total Premium (In $ millions)	$3,025	$3,168	$3,317	$3,473	$3,637	$3,810	$3,990	$4,180	$4,376	$4,583
Total APTC (In $ millions)	$2,349	$2,469	$2,594	$2,725	$2,864	$3,009	$3,162	$3,322	$3,488	$3,664
Total FFE User Fees (In $ millions)	$86	$90	$95	$99	$104	$109	$114	$119	$125	$131
Total State User Fees (In $ millions)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Comparison										
Total Enrollment	1,543	1,838	1,923	1,973	2,013	2,049	2,085	2,123	2,168	2,208
Total Premium (In $ millions)	($331)	($353)	($377)	($402)	($428)	($456)	($485)	($516)	($551)	($587)
Total APTC (In $ millions)	($306)	($327)	($349)	($373)	($398)	($423)	($450)	($479)	($511)	($544)
Total FFE User Fees (In $ millions)	($10)	($10)	($11)	($12)	($12)	($13)	($14)	($15)	($16)	($17)
Total State User Fees (In $ millions)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Table IV.X: Average Individual Market Premium Rate Projections Without and With Waiver (Reinsurance Only)

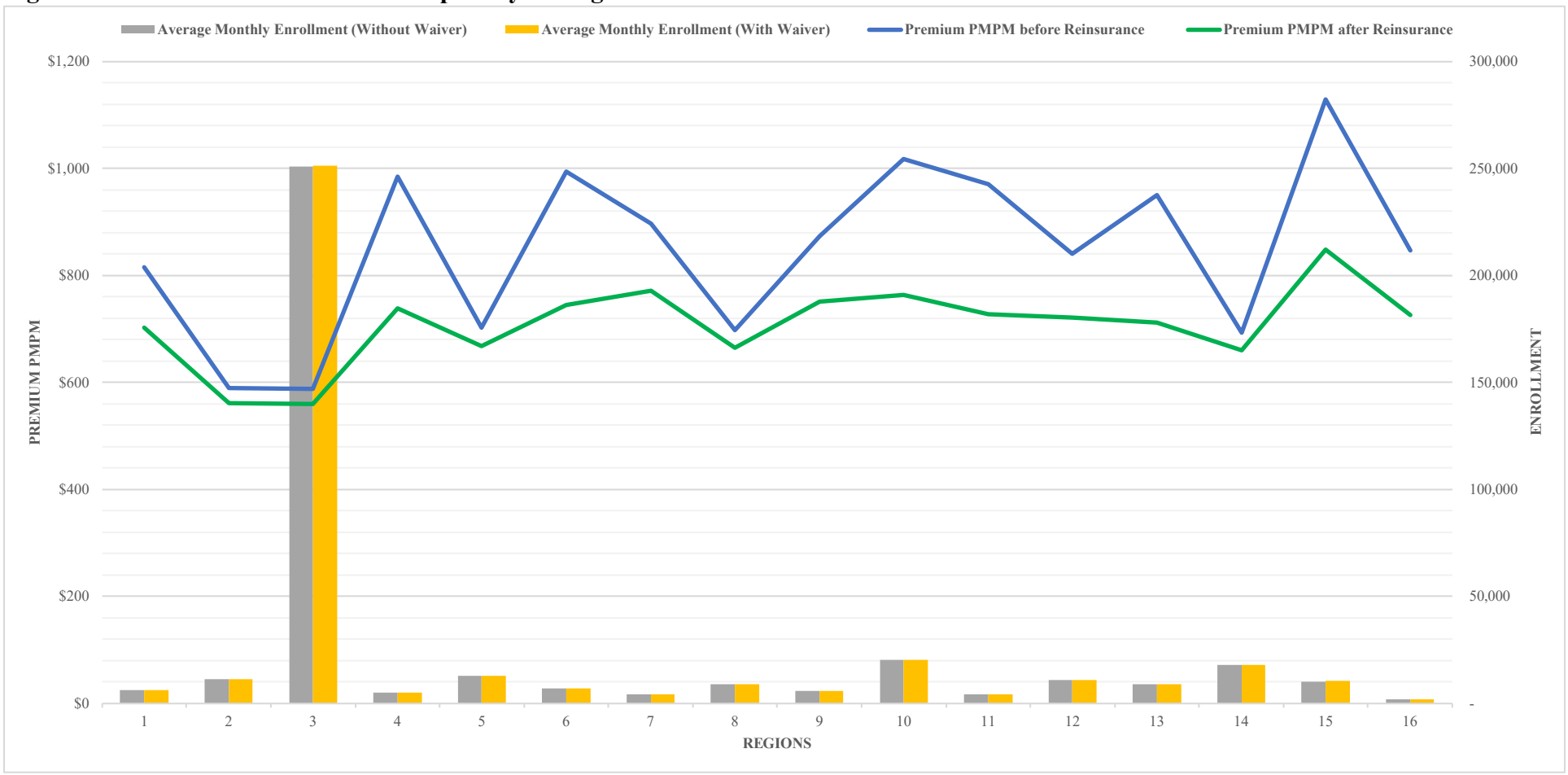
	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Without Waiver										
Total Individual Market[I]	$721	$757	$794	$833	$874	$917	$962	$1,009	$1,059	$1,111
QHPs[II]	$722	$758	$795	$834	$875	$918	$963	$1,011	$1,060	$1,113
Metal Level QHPs[III]	$725	$760	$798	$837	$878	$921	$967	$1,014	$1,064	$1,117
With Waiver										
Total Individual Market[I]	$647	$678	$709	$743	$778	$814	$853	$893	$935	$979
QHPs[II]	$648	$678	$710	$743	$779	$815	$854	$894	$936	$981
Metal Level QHPs[III]	$651	$681	$713	$746	$782	$819	$857	$898	$940	$984
Comparison ($)										
Total Individual Market[I]	($74)	($79)	($84)	($90)	($96)	($102)	($109)	($116)	($124)	($132)
QHPs[II]	($74)	($79)	($85)	($90)	($96)	($103)	($109)	($116)	($124)	($132)
Metal Level QHPs[III]	($74)	($79)	($85)	($91)	($97)	($103)	($109)	($117)	($124)	($132)
Comparison (%)										
Total Individual Market[I]	-10.2%	-10.4%	-10.6%	-10.8%	-11.0%	-11.2%	-11.3%	-11.5%	-11.7%	-11.9%
QHPs[II]	-10.2%	-10.5%	-10.7%	-10.9%	-11.0%	-11.2%	-11.3%	-11.5%	-11.7%	-11.9%
Metal Level QHPs[III]	-10.2%	-10.4%	-10.6%	-10.8%	-11.0%	-11.2%	-11.3%	-11.5%	-11.7%	-11.9%

[I] Includes Grandfathered Plans and QHPs

[II] Includes Metal Level QHPs and Catastrophic Plans

[III] Excludes Catastrophic Plans

Figure IV.XI: PY 2022 Reinsurance Impact by Rating Area



Appendix V: Detailed Estimates for Part I and II: Reinsurance Program and Georgia Access

Table V.I: 10-year Federal Deficit Comparison Without and With Waiver (Reinsurance and Georgia Access) (in $ millions)

Category of Impact	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baseline Without Waiver										
Federal Expenses										
(a) Total APTC	$2,655	$2,796	$2,943	$3,098	$3,261	$3,432	$3,612	$3,801	$3,999	$4,208
With Waiver (Reinsurance and Georgia Access)										
Federal Expenses										
(b) Total APTC	$2,349	$2,508	$2,636	$2,770	$2,912	$3,061	$3,217	$3,380	$3,550	$3,729
Comparison										
(c) Total APTC Reduction (a - b)	$306	$288	$307	$328	$350	$372	$396	$421	$450	$479
(d) Estimated Net Federal Savings (c)	**$306**	**$288**	**$307**	**$328**	**$350**	**$372**	**$396**	**$421**	**$450**	**$479**

Table V.II: Baseline Without and With Waiver (Reinsurance and Georgia Access) and Funding Estimates, PYs 2022-2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baseline Without Waiver										
Enrollment										
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Unsubsidized	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279
Off Exchange Unsubsidized	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928	20,928
Grandfathered	972	972	972	972	972	972	972	972	972	972
Total[I]	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**
PMPM										
On Exchange Subsidized	$742	$778	$816	$856	$899	$943	$989	$1,038	$1,089	$1,143
On Exchange Unsubsidized	$586	$615	$645	$677	$710	$745	$781	$820	$860	$903
Off Exchange Unsubsidized	$621	$652	$684	$717	$753	$790	$829	$869	$912	$957
Grandfathered	$342	$359	$377	$395	$415	$435	$457	$479	$503	$527
Total[I]	**$721**	**$757**	**$794**	**$833**	**$874**	**$917**	**$962**	**$1,009**	**$1,059**	**$1,111**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,969	$3,114	$3,268	$3,428	$3,597	$3,774	$3,960	$4,155	$4,359	$4,574
On Exchange Unsubsidized	$227	$238	$250	$262	$275	$288	$303	$318	$333	$350
Off Exchange Unsubsidized	$156	$164	$172	$180	$189	$198	$208	$218	$229	$240
Grandfathered	$4	$4	$4	$5	$5	$5	$5	$6	$6	$6
Total[I]	**$3,355**	**$3,520**	**$3,693**	**$3,875**	**$4,066**	**$4,266**	**$4,476**	**$4,696**	**$4,927**	**$5,170**
With Waiver										
Target Reinsurance Funding (In $ millions)	$306	$2,889	$3,041	$3,200	$3,368	$3,544	$3,729	$3,924	$4,128	$4,342
Percent Change in Premium	-10.2%	-13.9%	-14.1%	-14.3%	-14.4%	-14.6%	-14.7%	-14.9%	-15.1%	-15.2%
Percent Change in Enrollment	0.4%	7.2%	7.2%	7.2%	7.2%	7.3%	7.3%	7.3%	7.3%	7.3%
Enrollment										
On Exchange Subsidized	333,584	354,834	354,834	354,834	354,834	354,834	354,834	354,834	354,834	354,834
On Exchange Unsubsidized	33,068	37,545	37,666	37,707	37,731	37,751	37,772	37,792	37,817	37,840
Off Exchange Unsubsidized	21,682	22,089	22,175	22,208	22,230	22,249	22,268	22,287	22,311	22,332
Grandfathered	972	972	972	972	972	972	972	972	972	972
Total[I]	**389,307**	**415,441**	**415,648**	**415,722**	**415,767**	**415,807**	**415,846**	**415,887**	**415,935**	**415,979**
PMPM										
On Exchange Subsidized	$665	$671	$702	$735	$770	$806	$844	$884	$926	$969
On Exchange Unsubsidized	$541	$542	$567	$594	$622	$652	$683	$716	$750	$786
Off Exchange Unsubsidized	$546	$550	$575	$601	$629	$659	$689	$722	$755	$790
Grandfathered	$342	$359	$377	$395	$415	$435	$457	$479	$503	$527
Total[I]	**$647**	**$652**	**$682**	**$714**	**$748**	**$783**	**$820**	**$859**	**$900**	**$942**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,664	$2,855	$2,989	$3,129	$3,277	$3,432	$3,595	$3,765	$3,941	$4,128
On Exchange Unsubsidized	$215	$244	$256	$269	$282	$295	$310	$325	$340	$357
Off Exchange Unsubsidized	$142	$146	$153	$160	$168	$176	$184	$193	$202	$212
Grandfathered	$4	$4	$4	$5	$5	$5	$5	$6	$6	$6
Total[I]	**$3,025**	**$3,249**	**$3,403**	**$3,563**	**$3,732**	**$3,909**	**$4,094**	**$4,288**	**$4,490**	**$4,702**
Funding Estimates (In $ millions)										
Program Costs										
Reinsurance Program Cost	$398	$435	$465	$497	$529	$563	$599	$637	$681	$725
Infrastructure/IT/Operational Cost (Reinsurance)[II]	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Infrastructure/IT/Operational Cost (Georgia Access)	$0	$6	$1	$1	$1	$1	$1	$1	$1	$1
State Funding Sources										
State User Fees	$0	($93)	($97)	($102)	($107)	($112)	($117)	($123)	($128)	($135)
Pass Through Funding	($306)	($288)	($307)	($328)	($350)	($372)	($396)	($421)	($450)	($479)
State Funding Requirement (In $ millions)[I]	**$101**	**$60**	**$61**	**$68**	**$74**	**$80**	**$87**	**$95**	**$104**	**$113**

[I] Totals may not equal the sum of the parts due to rounding

[II] Reinsurance Infrastructure/IT/Operational Costs reduced from $750k per year to $8k per year

Table V.III: SLCSP Premium PMPM Without Waiver by Rating Area and Issuer Specific Service Area, PYs 2022 – 2031

Rating Area	Sub-area[1]	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Baseline Without Waiver SLCSP Premium PMPM											
1	Entire Area	$515	$540	$567	$595	$624	$654	$687	$720	$756	$793
2	A	$385	$404	$424	$445	$467	$490	$514	$539	$566	$593
2	B	$601	$631	$662	$694	$728	$764	$802	$841	$882	$926
3	A	$518	$543	$570	$598	$627	$658	$690	$724	$760	$797
3	B	$412	$432	$454	$476	$499	$524	$550	$577	$605	$635
3	C	$392	$411	$431	$453	$475	$498	$523	$548	$575	$604
3	D	$616	$646	$678	$711	$746	$782	$821	$861	$904	$948
4	Entire Area	$778	$816	$856	$898	$942	$988	$1,037	$1,088	$1,141	$1,198
5	A	$524	$549	$576	$605	$634	$666	$698	$733	$769	$807
5	B	$506	$531	$557	$584	$613	$643	$675	$708	$743	$779
6	A	$360	$378	$396	$416	$436	$458	$480	$504	$529	$555
6	B	$697	$731	$767	$804	$844	$885	$929	$975	$1,023	$1,073
7	Entire Area	$390	$410	$430	$451	$473	$496	$521	$546	$573	$601
8	A	$397	$416	$437	$458	$481	$504	$529	$555	$582	$611
8	B	$641	$673	$706	$741	$777	$815	$855	$897	$942	$988
9	A	$528	$554	$582	$610	$640	$672	$705	$739	$776	$814
9	B	$372	$390	$409	$429	$450	$473	$496	$520	$546	$573
10	Entire Area	$567	$595	$624	$655	$687	$720	$756	$793	$832	$873
11	A	$712	$747	$784	$822	$863	$905	$949	$996	$1,045	$1,097
11	B	$331	$347	$364	$382	$401	$421	$442	$463	$486	$510
12	A	$401	$421	$442	$463	$486	$510	$535	$561	$589	$618
12	B	$626	$656	$689	$722	$758	$795	$834	$875	$918	$964
13	A	$546	$573	$601	$631	$662	$694	$728	$764	$802	$841
13	B	$538	$565	$592	$621	$652	$684	$718	$753	$790	$829
13	C	$330	$346	$363	$381	$400	$420	$440	$462	$485	$508
14	Entire Area	$407	$427	$448	$470	$493	$518	$543	$570	$598	$627
15	A	$333	$350	$367	$385	$404	$424	$444	$466	$489	$513
15	B	$805	$845	$886	$930	$975	$1,023	$1,074	$1,126	$1,182	$1,240
16	Entire Area	$597	$626	$657	$689	$723	$758	$796	$835	$876	$919

[1] *List of counties in each sub-area are shown in Appendix III*

Table V.IV: SLCSP Premium PMPM With Waiver (Reinsurance and Georgia Access) by Rating Area and Issuer Specific Service Area, PYs 2022 – 2031

Rating Area	Sub-area[1]	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
With Waiver SLCSP Premium PMPM											
1	Entire Area	$427	$442	$461	$480	$500	$521	$543	$566	$589	$614
2	A	$355	$368	$384	$401	$418	$437	$456	$476	$497	$519
2	B	$553	$574	$599	$625	$653	$682	$712	$743	$775	$810
3	A	$476	$494	$516	$539	$562	$587	$613	$640	$668	$697
3	B	$379	$394	$411	$429	$448	$467	$488	$509	$532	$555
3	C	$361	$374	$391	$408	$426	$444	$464	$484	$506	$528
3	D	$567	$588	$614	$640	$669	$698	$729	$761	$794	$829
4	Entire Area	$563	$580	$603	$626	$650	$676	$703	$730	$758	$788
5	A	$482	$500	$522	$545	$569	$594	$620	$647	$676	$705
5	B	$466	$483	$504	$526	$549	$574	$599	$625	$653	$681
6	A	$261	$269	$279	$290	$301	$313	$326	$338	$351	$365
6	B	$505	$520	$540	$561	$583	$606	$630	$654	$679	$706
7	Entire Area	$324	$335	$349	$364	$379	$395	$412	$429	$447	$466
8	A	$365	$379	$395	$413	$431	$450	$470	$490	$512	$534
8	B	$590	$612	$639	$667	$697	$727	$759	$793	$827	$864
9	A	$438	$454	$473	$492	$513	$535	$557	$581	$605	$630
9	B	$309	$319	$332	$346	$361	$376	$392	$409	$426	$443
10	Entire Area	$411	$423	$439	$456	$474	$493	$512	$533	$553	$574
11	A	$516	$531	$552	$573	$596	$619	$644	$669	$694	$721
11	B	$240	$247	$257	$266	$277	$288	$299	$311	$323	$335
12	A	$333	$344	$359	$374	$389	$406	$423	$441	$459	$479
12	B	$519	$537	$560	$583	$607	$633	$660	$688	$716	$746
13	A	$396	$408	$423	$439	$457	$475	$494	$513	$532	$553
13	B	$390	$402	$417	$433	$450	$468	$486	$506	$525	$545
13	C	$239	$246	$256	$266	$276	$287	$298	$310	$322	$335
14	Entire Area	$375	$389	$406	$424	$442	$462	$482	$503	$525	$549
15	A	$241	$249	$258	$268	$279	$290	$301	$313	$325	$338
15	B	$583	$601	$624	$648	$673	$700	$728	$756	$785	$816
16	Entire Area	$495	$512	$534	$556	$579	$604	$629	$656	$683	$712

[1] *List of counties in each sub-area are shown in Appendix III*

Table V.V: Baseline Without Waiver and With Waiver (Reinsurance and Georgia Access) Enrollment by FPL, PYs 2022 – 2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
On Exchange Subsidized										
Baseline Without Waiver										
<100% of FPL	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303
≥100% to ≤150% of FPL	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800	169,800
>150% to ≤200% of FPL	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063	68,063
>200% to ≤250% of FPL	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542	36,542
>250% to ≤300% of FPL	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224	22,224
>300% to ≤400% of FPL	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110	23,110
>400% of FPL	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
With Waiver										
<100% of FPL	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303
≥100% to ≤150% of FPL	169,800	175,656	175,656	175,656	175,656	175,656	175,656	175,656	175,656	175,656
>150% to ≤200% of FPL	68,063	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107	72,107
>200% to ≤250% of FPL	36,542	40,316	40,316	40,316	40,316	40,316	40,316	40,316	40,316	40,316
>250% to ≤300% of FPL	22,224	25,885	25,885	25,885	25,885	25,885	25,885	25,885	25,885	25,885
>300% to ≤400% of FPL	23,110	27,025	27,025	27,025	27,025	27,025	27,025	27,025	27,025	27,025
>400% of FPL	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
Average Annual Enrollment[1]	**333,584**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**
On Exchange Unsubsidized										
Baseline Without Waiver										
<100% of FPL	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
≥100% to ≤150% of FPL	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517	10,517
>150% to ≤200% of FPL	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537	5,537
>200% to ≤250% of FPL	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886	4,886
>250% to ≤300% of FPL	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175	4,175
>300% to ≤400% of FPL	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505	4,505
>400% of FPL	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065
Average Annual Enrollment[1]	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**
With Waiver										
<100% of FPL	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595	1,595
≥100% to ≤150% of FPL	10,517	12,013	12,054	12,067	12,075	12,082	12,089	12,096	12,104	12,112
>150% to ≤200% of FPL	5,537	6,324	6,346	6,353	6,357	6,361	6,364	6,368	6,372	6,376
>200% to ≤250% of FPL	4,886	5,581	5,600	5,606	5,610	5,613	5,616	5,619	5,623	5,626
>250% to ≤300% of FPL	4,175	4,768	4,784	4,790	4,793	4,796	4,798	4,801	4,804	4,807
>300% to ≤400% of FPL	4,505	5,146	5,163	5,169	5,172	5,175	5,178	5,181	5,185	5,188
>400% of FPL	1,854	2,117	2,124	2,127	2,128	2,129	2,131	2,132	2,133	2,135
Average Annual Enrollment[1]	**33,068**	**37,545**	**37,666**	**37,707**	**37,731**	**37,751**	**37,772**	**37,792**	**37,817**	**37,840**
Off Exchange Unsubsidized										
Baseline Without Waiver										
<100% of FPL	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684
≥100% to ≤150% of FPL	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609	1,609
>150% to ≤200% of FPL	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842	1,842
>200% to ≤250% of FPL	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348	1,348
>250% to ≤300% of FPL	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
>300% to ≤400% of FPL	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376
>400% of FPL	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846	8,846
Average Annual Enrollment[1]	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**
With Waiver										
<100% of FPL	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684	3,684
≥100% to ≤150% of FPL	1,609	1,646	1,653	1,656	1,658	1,660	1,662	1,664	1,666	1,668
>150% to ≤200% of FPL	1,842	1,883	1,892	1,896	1,898	1,900	1,902	1,904	1,906	1,908
>200% to ≤250% of FPL	1,348	1,378	1,385	1,387	1,389	1,390	1,392	1,393	1,395	1,397
>250% to ≤300% of FPL	1,223	1,251	1,256	1,259	1,260	1,262	1,263	1,264	1,266	1,267
>300% to ≤400% of FPL	2,376	2,430	2,441	2,446	2,449	2,451	2,454	2,456	2,459	2,462
>400% of FPL	9,600	9,817	9,863	9,881	9,892	9,902	9,912	9,923	9,936	9,947
Average Annual Enrollment[1]	**21,682**	**22,089**	**22,175**	**22,208**	**22,230**	**22,249**	**22,268**	**22,287**	**22,311**	**22,332**

[1] *Totals may not equal sum of the parts due to rounding*

Table V.VI: Baseline Without Waiver and With Waiver (Reinsurance and Georgia Access) Average Annual Enrollment by Metal Level, PYs 2022 – 2031

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
On Exchange Subsidized										
Baseline Without Waiver										
Bronze	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769	39,769
Silver	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771	277,771
Gold	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044
Average Annual Enrollment[1]	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**	**333,584**
With Waiver										
Bronze	39,769	58,894	58,894	58,894	58,894	58,894	58,894	58,894	58,894	58,894
Silver	277,771	279,896	279,896	279,896	279,896	279,896	279,896	279,896	279,896	279,896
Gold	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044	16,044
Average Annual Enrollment[1]	**333,584**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**	**354,834**
On Exchange Unsubsidized										
Baseline Without Waiver										
Bronze	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654	12,654
Silver	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566	12,566
Gold	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355	5,355
Catastrophic	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704	1,704
Average Annual Enrollment[1]	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**	**32,279**
With Waiver										
Bronze	12,969	16,944	17,001	17,020	17,031	17,040	17,050	17,059	17,071	17,081
Silver	12,844	13,059	13,101	13,114	13,122	13,128	13,134	13,141	13,148	13,155
Gold	5,507	5,605	5,625	5,632	5,636	5,640	5,644	5,647	5,652	5,656
Catastrophic	1,748	1,937	1,939	1,941	1,942	1,943	1,944	1,945	1,947	1,948
Average Annual Enrollment[1]	**33,068**	**37,545**	**37,666**	**37,707**	**37,731**	**37,751**	**37,772**	**37,792**	**37,817**	**37,840**
Off Exchange Unsubsidized										
Baseline Without Waiver										
Bronze	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173	9,173
Silver	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494	8,494
Gold	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373	2,373
Catastrophic	888	888	888	888	888	888	888	888	888	888
Average Annual Enrollment[1]	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**	**20,928**
With Waiver										
Bronze	9,510	9,695	9,734	9,749	9,759	9,767	9,776	9,785	9,796	9,805
Silver	8,801	8,971	9,007	9,021	9,029	9,037	9,045	9,053	9,063	9,071
Gold	2,450	2,496	2,505	2,509	2,511	2,513	2,515	2,517	2,519	2,521
Catastrophic	921	927	929	930	931	931	932	933	934	935
Average Annual Enrollment[1]	**21,682**	**22,089**	**22,175**	**22,208**	**22,230**	**22,249**	**22,268**	**22,287**	**22,311**	**22,332**
Total Average Annual Enrollment										
Baseline Without Waiver	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**	**386,792**
With Waiver	**388,335**	**414,468**	**414,676**	**414,749**	**414,795**	**414,835**	**414,874**	**414,914**	**414,963**	**415,006**

[1] *Totals may not equal sum of the parts due to rounding*

Table V.VII: Baseline Without Waiver PY 2023 Average Annual Enrollment by FPL and Metal Level

	Bronze	Silver	Gold	Catastrophic	Total
On Exchange Subsidized					
0% to 100% FPL	2,299	5,152	853	N/A	8,303
100% to 150% FPL	8,625	160,363	812	N/A	169,800
150% to 200% FPL	6,708	60,136	1,219	N/A	68,063
200% to 250% FPL	6,708	25,773	4,062	N/A	36,542
250% to 300% FPL	6,708	11,454	4,062	N/A	22,224
300% to 400% FPL	7,187	11,454	4,468	N/A	23,110
400%+ FPL	1,534	3,439	569	N/A	5,543
Total[I]	**39,769**	**277,771**	**16,044**	**N/A**	**333,584**
On Exchange Unsubsidized					
0% to 100% FPL	731	233	285	346	1,595
100% to 150% FPL	2,744	7,255	271	247	10,517
150% to 200% FPL	2,134	2,721	407	275	5,537
200% to 250% FPL	2,134	1,166	1,356	230	4,886
250% to 300% FPL	2,134	518	1,356	166	4,175
300% to 400% FPL	2,287	518	1,491	209	4,505
400%+ FPL	488	156	190	231	1,065
Total[I]	**12,654**	**12,566**	**5,355**	**1,704**	**32,279**
Off Exchange Unsubsidized					
0% to 100% FPL	1,615	1,495	418	156	3,684
100% to 150% FPL	705	653	182	68	1,609
150% to 200% FPL	807	748	209	78	1,842
200% to 250% FPL	591	547	153	57	1,348
250% to 300% FPL	536	496	139	52	1,223
300% to 400% FPL	1,042	965	269	101	2,376
400%+ FPL	3,877	3,590	1,003	375	8,846
Total[I]	**9,173**	**8,494**	**2,373**	**888**	**20,928**

Table V.VIII: With Waiver (Reinsurance and Georgia Access) PY 2023 Average Annual Enrollment by FPL and Metal Level

	Bronze	Silver	Gold	Catastrophic	Total
On Exchange Subsidized					
0% to 100% FPL	2,299	5,152	853	N/A	8,303
100% to 150% FPL	13,215	161,629	812	N/A	175,656
150% to 200% FPL	10,278	60,611	1,219	N/A	72,107
200% to 250% FPL	10,278	25,976	4,062	N/A	40,316
250% to 300% FPL	10,278	11,545	4,062	N/A	25,885
300% to 400% FPL	11,012	11,545	4,468	N/A	27,025
400%+ FPL	1,534	3,439	569	N/A	5,543
Total[1]	**58,894**	**279,896**	**16,044**	**N/A**	**354,834**
On Exchange Unsubsidized					
0% to 100% FPL	731	233	285	346	1,595
100% to 150% FPL	3,732	7,545	285	247	11,808
150% to 200% FPL	2,902	2,829	427	275	6,434
200% to 250% FPL	2,902	1,213	1,423	230	5,767
250% to 300% FPL	2,902	539	1,423	166	5,030
300% to 400% FPL	3,110	539	1,565	209	5,422
400%+ FPL	664	162	199	463	1,488
Total[1]	**16,944**	**13,059**	**5,605**	**1,937**	**37,545**
Off Exchange Unsubsidized					
0% to 100% FPL	1,615	1,495	418	156	3,684
100% to 150% FPL	754	698	194	68	1,714
150% to 200% FPL	863	798	222	78	1,962
200% to 250% FPL	632	584	162	57	1,436
250% to 300% FPL	573	530	147	52	1,303
300% to 400% FPL	1,114	1,030	286	101	2,531
400%+ FPL	4,145	3,835	1,066	414	9,460
Total[1]	**9,695**	**8,971**	**2,496**	**927**	**22,089**

[1] *Totals may not equal sum of the parts due to rounding*

Table V.IX: 10-Year Projection of Key Figures – Without Waiver and With Waiver (Reinsurance and Georgia Access)

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Without Waiver										
Total Enrollment	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764	387,764
Total Premium (In $ millions)	$3,355	$3,520	$3,693	$3,875	$4,066	$4,266	$4,476	$4,696	$4,927	$5,170
Total APTC (In $ millions)	$2,655	$2,796	$2,943	$3,098	$3,261	$3,432	$3,612	$3,801	$3,999	$4,208
Total FFE User Fees (In $ millions)	$96	$101	$106	$111	$116	$122	$128	$134	$141	$148
Total State User Fees (In $ millions)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
With Waiver										
Total Enrollment	389,307	415,441	415,648	415,722	415,767	415,807	415,846	415,887	415,935	415,979
Total Premium (In $ millions)	$3,025	$3,249	$3,403	$3,563	$3,732	$3,909	$4,094	$4,288	$4,490	$4,702
Total APTC (In $ millions)	$2,349	$2,508	$2,636	$2,770	$2,912	$3,061	$3,217	$3,380	$3,550	$3,729
Total FFE User Fees (In $ millions)	$86	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total State User Fees (In $ millions)	$0	$93	$97	$102	$107	$112	$117	$123	$128	$135
Comparison										
Total Enrollment	1,543	27,676	27,884	27,958	28,003	28,043	28,082	28,123	28,171	28,215
Total Premium (In $ millions)	($331)	($271)	($291)	($312)	($334)	($357)	($381)	($408)	($438)	($468)
Total APTC (In $ millions)	($306)	($288)	($307)	($328)	($350)	($372)	($396)	($421)	($450)	($479)
Total FFE User Fees (In $ millions)	($10)	($101)	($106)	($111)	($116)	($122)	($128)	($134)	($141)	($148)
Total State User Fees (In $ millions)	$0	$93	$97	$102	$107	$112	$117	$123	$128	$135

Table V.X: Average Individual Market Premium Rate Projections Without and With Waiver (Reinsurance and Georgia Access)

	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030	PY 2031
Without Waiver										
Total Individual Market[I]	$721	$757	$794	$833	$874	$917	$962	$1,009	$1,059	$1,111
QHPs[II]	$722	$758	$795	$834	$875	$918	$963	$1,011	$1,060	$1,113
Metal Level QHPs[III]	$725	$760	$798	$837	$878	$921	$967	$1,014	$1,064	$1,117
With Waiver										
Total Individual Market[I]	$647	$652	$682	$714	$748	$783	$820	$859	$900	$942
QHPs[II]	$648	$652	$683	$715	$749	$784	$821	$860	$900	$943
Metal Level QHPs[III]	$651	$655	$686	$718	$752	$787	$824	$863	$904	$947
Comparison ($)										
Total Individual Market[I]	($74)	($105)	($112)	($119)	($126)	($133)	($141)	($150)	($159)	($169)
QHPs[II]	($74)	($105)	($112)	($119)	($126)	($134)	($142)	($150)	($160)	($170)
Metal Level QHPs[III]	($74)	($106)	($112)	($119)	($127)	($134)	($142)	($151)	($161)	($170)
Comparison (%)										
Total Individual Market[I]	-10.2%	-13.8%	-14.0%	-14.2%	-14.4%	-14.5%	-14.7%	-14.9%	-15.1%	-15.2%
QHPs[II]	-10.2%	-13.9%	-14.1%	-14.3%	-14.4%	-14.6%	-14.7%	-14.9%	-15.1%	-15.2%
Metal Level QHPs[III]	-10.2%	-13.9%	-14.1%	-14.3%	-14.4%	-14.6%	-14.7%	-14.9%	-15.1%	-15.2%

[I] Includes Grandfathered Plans and QHPs

[II] Includes Metal Level QHPs and Catastrophic Plans

[III] Excludes Catastrophic Plans

Appendix VI: Crosswalk to CMS Checklist

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
• An actuarial analysis and certification, which should be conducted by a member of the American Academy of Actuaries, to support the state's finding that the proposed waiver complies with the coverage, comprehensiveness, and affordability requirements in each year of the waiver.	Section 6	Section 6
Coverage: • A section 1332 state plan may comply with the coverage requirement if a comparable number of state residents eligible for coverage under title I of the PPACA will have health care coverage under the section 1332 state plan as would have had coverage absent the waiver. • The Departments will consider all forms of private coverage in addition to public coverage, including employer-based coverage, individual market coverage, and other forms of private coverage. • As provided in 31 CFR part 33 and 45 CFR part 155, subpart N, the waiver application must include analysis and supporting data that establishes that the waiver satisfies the scope of coverage requirement, including information on the number of individuals covered by income, health expenses, health insurance status, and age group, under title I of PPACA and under the waiver, including year-by-year estimates • The application should identify any types of individuals who are more or less likely to be covered under the waiver than under current law.	Section 2.3, Section 5, Section 6.1, and Appendix IV	Section 2.3, Section 5, Section 6.1, and Appendix V

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
Comprehensiveness and Affordability • A section 1332 state plan may comply with the comprehensiveness and affordability requirements if access to coverage that is as affordable and comprehensive as coverage forecasted to have been available in the absence of the waiver is projected to be available to a comparable number of people under the waiver. • The Departments will not require estimates demonstrating that this coverage will actually be purchased by a comparable number of state residents. • As provided in 31 CFR part 33 and 45 CFR part 155, subpart N, the waiver application must include analysis and supporting data that establishes that the waiver satisfies the comprehensiveness and affordability guardrails. • This includes an explanation of how the coverage available under the waiver differ from the coverage chosen absent the waiver (if the coverage differs at all) and how the state determined the coverage to be as comprehensive. • It also includes information on estimated individual out-of-pocket costs (premium and out-of-pocket expenses for deductibles, co-payments, co-insurance, co-payments and plan differences) by income, health expenses, health insurance status, and age groups, absent the waiver and for available coverage under the waiver. • The application should identify any types of individuals (including those individuals who are low income or have high expected health care costs) for whom affordability of coverage would be reduced by the waiver and also identify any types of individuals for whom affordability of coverage would be improved by the waiver. • Additionally, a 1332 state plan must address how the waiver impacts those with high expected health care costs and those with low incomes, the analysis should include the impact on these consumers.	Section 2.3, Section 5, Section 6.2, and Appendix IV	Section 2.3, Section 5, Section 6.2, and Appendix V

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
Federal Deficit Neutrality • An economic analysis to support the state's finding that the waiver will not increase the federal deficit over the period of the waiver (which may not exceed five years unless renewed) or in total over the ten-year budget period. • The ten-year budget plan should describe the changes in projected federal spending and changes in federal revenues attributed to the waiver for each of the ten years. • The Departments will continue to evaluate the deficit neutrality guardrail on a yearly basis. A waiver that increases the deficit in any one year is less likely to be approved.	Section 2.3, Section 5, Section 6.3, and Appendix IV	Section 2.3, Section 5, Section 6.3, and Appendix V
The data and assumptions that the state relied upon to determine the effect of the waiver on coverage, comprehensiveness, affordability, and deficit neutrality requirements.	Section 3	Section 3
The actuarial and economic analyses should compare coverage, comprehensiveness, affordability, and net Federal spending and revenues under the waiver to those measures absent the waiver (the baseline) for each year of the waiver. If a state is requesting pass-through funding, the state should quantify the effect of the waiver on each guardrail.	Section 5, Section 6, and Appendix IV	Section 5, Section 6, and Appendix V
• The deficit analysis should show yearly changes in the federal deficit (that is, revenues less spending) due to the waiver. • It should include a description of all costs associated with the program, including federal administrative costs, foregone tax collections, and any other costs that the federal government might incur.	Section 5.1 and Appendix IV	Section 5.2 and Appendix V

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
• Where a state intends to rely on CMS for services in support of the state's section 1332 waiver plan including for eligibility determinations or data verification services to support eligibility determinations pursuant to the Intergovernmental Cooperation Act (ICA), the state must cover CMS's costs. • The Departments will not consider costs for CMS services covered under the ICA as an increase in federal spending resulting from the state's waiver plan for purposes of the deficit neutrality analysis. • *Note*: States should describe in the state's implementation plan if the state's plan requires assistance from CMS for any services. • Additional information may be required to facilitate evaluation of the state's estimates and calculation of pass-through amounts by the Departments depending on the state's section 1332 waiver plan.	Not applicable	Not applicable
• For waivers that impact the individual market, the state should use a baseline in which there is no state waiver plan in effect, and should compare premiums, comprehensiveness, and coverage under the baseline for each year to those projected under the waiver. • For waivers that impact the individual market, data used to produce these estimates might include overall and Second Lowest Cost Silver Plan premium (SLCSP)	Section 4, Section 5, and Appendix IV	Section 4, Section 5, and Appendix V
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario: • Number of non-group market enrollees by income as a share of FPL (0% - 99%, ≥100% to ≤150%, >150% to ≤200%, >200% to ≤250%, >250% to ≤300%, >300%- ≤400%, and greater than 400% of FPL), by PTC-eligibility, and by plan.	Appendix IV	Appendix V
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario:	Appendix IV	Appendix V

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
• Overall average non-group market premium rate.		
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario: • SLCSP rate or if a state is pursuing a State-Specific Premium Assistance Waiver Concept the state applicable benchmark plan rate for the state subsidy program for a representative consumer (e.g., a 21-year old non-smoker), by rating area and issuer-specific service area. The state needs to identify where issuers have service areas that are smaller than rating areas.	Appendix IV	Appendix V
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario: • The state's age rating curve (or statement that federal default is used)	Not applicable, Georgia uses the federal default under both scenarios	Not applicable, Georgia uses the federal default under both scenarios
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario: • Aggregate premiums, PTC, and, if pursuing a State-Specific Premium Assistance Waiver Concept, the applicable state subsidy amounts	Section 4, Section 5, and Appendix IV	Section 4, Section 5, and Appendix V
Exchange user fee for Federally-facilitated Exchanges (FFE) or State-based Exchanges using the Federal Platform (SBE-FP) states. • Documentation of all assumptions and methodology used to develop the estimates and growth of health care spending.	Section 4, Section 5, and Appendix IV	Section 4, Section 5, and Appendix V
• In addition to the information above, states considering establishing a *Risk Stabilization Waiver Concept* to implement a state operated high-risk pool/reinsurance program/state complex care plan should use a baseline in which there is no state or federal funding for a state high-risk pool/reinsurance program, and should compare premiums and coverage	Section 4, Section 5, and Appendix IV	Section 4, Section 5, and Appendix V

CMS Checklist Item	Section in Memo (Reinsurance Only)	Section in Memo (Reinsurance and Georgia Access)
under the baseline for each year to those projected under the waiver (i.e. with a high-risk pool/reinsurance program in effect).		
In addition to the information above the actuarial or economic analyses must include: • A comprehensive description of the parameters of the reinsurance arrangement, including projected funding levels. • For waivers that implement programs that reimburse high-cost claims like reinsurance or a high-risk pool, the state must provide the projected reimbursements under the program, along with the assumptions used to develop the projected reimbursements, including the expected distribution of claims by claim size.	Section 2, Section 3, and Section 5.1	Section 2, Section 3, and Section 5.1

Public Notice

Reinsurance and Georgia Access Model – State Relief and Empowerment Waiver (Section 1332 Waiver)

Pursuant to 31 CFR 33.112 and 45 CFR 155.1312, notice is hereby given that the State of Georgia has modified its Section 1332 Waiver previously submitted to the Department of Treasury (Treasury) and Centers for Medicare & Medicaid Services (CMS) in the Department of Health and Human Services (HHS) for a Reinsurance Program and the Georgia Access Model. This notice provides details about the updated waiver and serves to open a second 15-day public comment period closing on Thursday, July 23, 2020.

Executive Summary

Georgia previously submitted to CMS and Treasury a Section 1332 Waiver to implement a two-part approach consisting of a Reinsurance Program and the Georgia Access Model, to address the growing healthcare access and affordability challenges facing many residents across the State. During the ongoing approval process, there have been significant changes in the healthcare landscape across the country and in Georgia; as a result, Georgia has requested to make minor modifications to the waiver. Through these changes, Georgia seeks to ensure the success and sustainability of its program and increase access to affordable healthcare coverage for its residents. The first part seeks to implement a Reinsurance Program starting in Plan Year 2022 rather than plan year 2021. The second part seeks to transition the State's individual market to the Georgia Access Model, also starting in Plan Year 2022. The Section 1332 Waiver application is designed to reduce premiums, increase coverage, and promote a more competitive private insurance marketplace with the introduction of a state Reinsurance Program and the Georgia Access Model for Plan Years 2022 through 2026.

Changes from the 1332 Waiver Submitted December 23, 2019

Due to the unanticipated impact of COVID-19 on the State and its residents, Georgia has modified its waiver application previously submitted to CMS and Treasury in order to better address the current and future healthcare needs of Georgia residents. The duration of the waiver will still be five years, but for PY 2022 – 2026.

The implementation date of the Reinsurance Program has shifted to take effect in PY 2022. All other aspects of the Reinsurance Program remain as originally designed, including the attachment point, cap, and co-insurance rates submitted within the initial application for the first year of the program.

The Georgia Access Model retains the key elements proposed in Georgia's initial application. Modifications have been made to streamline operations to promote access in these challenging times. As stated in the original waiver submission, the State will leverage a network of private sector partners to provide front end operations and customer support for consumers to shop for, compare, and enroll in plans. The State will calculate consumers' eligibility and estimated APTC/PTC subsidy amount. In the revised application:

- The State will not directly issue the subsidies to consumers.
- The State will send enrollment and APTC/PTC eligibility information to the Federal government.
- The Federal government will continue to issue Advanced Premium Tax Credits (APTCs) and Premium Tax Credits (PTCs), as it does without the waiver, which will only be available for QHPs.
- The State is not seeking to certify and provide subsidies for Eligible non-QHPs.

Part I – Reinsurance

Program Overview

Georgia is seeking to waive Section 1312(c)(1) of the Patient Protection and Affordable Care Act (PPACA) requiring all enrollees in the individual market to be members of a single risk pool. The goal of the Reinsurance Program is to stabilize the individual market to reduce premiums and incentivize carriers to offer plans in more regions across the State. By mitigating high-cost individual health claims, the Reinsurance Program will help stabilize Georgia's individual market and make premiums more affordable.

Georgia's Reinsurance Program will be a claims-based model with an attachment point, cap, and a tiered co-insurance rate. The attachment point is where the program will begin to reimburse the carrier for a percentage of high-cost claims up to the cap amount. The coinsurance rate will be based upon rating region. Rating regions will be grouped into three tiers for applied co-insurance rates. Higher co-insurance rates will be applied to high-cost regions in order to bring the premiums in these regions closer to the statewide average. Tier one includes rating regions 2, 3, 5, 8, 14. Tier two includes rating regions 1, 7, 9, 12, 16. Tier three includes rating regions 4, 6, 10, 11, 13, 15.

For PY 2022, the program is projected to reimburse claims at an average coinsurance rate of 27% for claims between the attachment point of $20,000 and an estimated $500,000 cap.

Table 1: Summary of Projected Attachment Point, Cap, and Co-insurance for PY 2022

Projected Attachment	Projected Cap	Projected Co-Insurance
$20,000	$500,000	Tier 1: 15% Tier 2: 45% Tier 3: 80%

The Reinsurance Program is anticipated to reduce premiums on the individual market statewide by 10.2% and subsequently increase enrollment by 0.4% in Plan Year (PY) 2022. The cost for the Reinsurance Program for PY 2022 is estimated to be $399 million, generating $306 million dollars in APTC/PTC savings for the federal government which the State is requesting as pass-through funding. The remainder of the program will be funded by the State General Fund.

The Reinsurance Program will be implemented and administrated by the Office of Health Strategy and Coordination, working in coordination with the Georgia Office of Insurance and Safety Fire Commissioner.

Alignment with Principles

Georgia's Section 1332 Waiver aligns with and advances the principles discussed in CMS' 2018 Guidance, as described below:

- **Increased Access to Affordable Private Market Coverage**: The implementation of a Reinsurance Program will drive down costs for consumers, increase access to affordable private market coverage options, and create incentives for carriers to expand options within high-cost areas of the State. The premium reduction will be most acutely felt by individuals over 400% of the FPL who are not eligible for federal APTC/PTC subsidies and therefore pay the full out-of-pocket cost for premiums.

- **Encourage Sustainable Spending Growth**: The Reinsurance Program encourages sustainable spending growth by stabilizing the individual market within the State and promoting more cost-effective health coverage. Be reducing premiums, federal spending on tax credits is also reduced.

- **Foster State Innovation**: Georgia's tiered coinsurance approach to market stabilization fosters innovation by reshaping the traditional claims reinsurance program to target high-cost regions of the State that currently lack competition and affordable products. This program will provide Georgia consumers with greater access to affordable plan options in regions where it is most needed.

Part II – Georgia Access Model

Program Overview

Georgia is seeking to waive in part PPACA Title I, Subtitle D, Part II Section 1311. Section 1311 would be waived only to the extent that it is inconsistent with the operation of the Georgia Access Model. The goal of the Georgia Access Model is to increase affordability and spur innovation in the individual market while maintaining access to QHPs and ensuring consumer protections for individuals with pre-existing conditions. The Georgia Access Model will create a competitive private insurance marketplace that provides Georgia's residents with better access, improved customer service, and expanded choice of affordable coverage options.

The Georgia Access Model will be implemented by the Office of Health Strategy and Coordination, working in coordination across state agencies including the Office of Insurance and Safety Fire Commissioner. The State will transition responsibility for front-end functions of consumer outreach, customer service, plan shopping, selection, and enrollment from the FFE to the commercial market.

The Georgia Access Model is estimated to increase enrollment in the individual market by 25,000 for PY 2022 which could further reduce marketplace premiums by 3.5%. Increased enrollment by ATPC/PTC – eligible individuals may increase federal outlay, which the State is requesting be deducted from the APTC/PTC savings generated by the Reinsurance Program. The net federal

passthrough due to both the Reinsurance Program and Georgia Access is estimated to be $270 million. State required funding for the Reinsurance Program and Georgia Access Model is estimated to be $144 million for PY 2022, with funding from the State General Fund and a user fee established by the State.

Georgia Access Model design aspects:

- **Access** – Georgia will support a diverse network of private sector entities to deliver front-end functions of outreach, customer service, plan shopping, selection, and enrollment by leveraging privately funded mechanisms and incentives that already exist in the commercial market today. Web-brokers and carriers licensed and in good standing with the State that meet defined standards will be able to participate.

- **APTC Eligibility and Issuance**- The State will determine APTC/PTC subsidy eligibility for a consumer to receive federal subsidies and will send plan enrollment and eligibility information to the Federal government to continue to issue APTCs on consumers' behalf to plans and reconcile PTCs at individual tax filing.

- **State IT Infrastructure**- Georgia will leverage its current IT infrastructure and implement enhanced capabilities to provide eligibility and APTC determination capabilities for consumers. These advancements will streamline eligibility processing and referrals of consumers to/from the State's Medicaid program.

Alignment with Principles

The Georgia Access Model aligns with and advances the principles discussed in CMS' 2018 Guidance, as described below:

- **Increased Access to Affordable Private Market Coverage**: By enabling all plans licensed in the state to be offered side-by-side with QHPs and Catastrophic Plans, consumers will be able to view the full range of options available to them within the State and select the plan that best suits their needs and price point. The goal is to increase healthcare coverage across the State, without eroding the QHP market to provided consumers expanded options.

- **Encourage Sustainable Spending Growth**: Georgia's innovative Georgia Access Model promotes increased enrollment to drive down average premiums across the market. By engaging the private sector to deliver front-end services, the State anticipates that Georgians will receive more direct and meaningful services at a lower cost.

- **Foster State Innovation**: The Georgia Access Model aligns market incentives as private entities are responsible for, and motivated to perform, effective and efficient customer outreach, education, and enrollment.

- **Promote Consumer-Driven Healthcare**: The innovative Georgia Access Model reimagines the marketplace experience, placing the consumer at the center. The Georgia

Access Model creates a no wrong door approach by allowing the consumer to purchase plans on the open market that best meet their needs while also receiving APTCs/PTCs. Vendors across the ecosystem –from web-brokers to carriers—are encouraged to participate in the market and are incentivized to tailor their outreach and communication efforts to meet the unique needs of customers. Local brokers may discuss plan options with residents, and if asked, help navigate web broker or plan websites. This model creates a competitive environment based on the consumer experience—fostering growth and innovation in the private market to increase consumer tools, information, and customer service to help individuals in their healthcare coverage journey.

Locations to Access Copies of Public Notice and Waiver Application

This public notice, an abbreviated public notice, and the waiver application are available on the State's Patients First website, at https://medicaid.georgia.gov/patientsfirst.

Public Hearings and Public Input Procedure

Two public hearings will be held with options for in-person and virtual attendance where oral comments will be received on Georgia's modified Section 1332 Waiver Application. To comply with Governor Brian Kemp's Executive Order 06.29.20.02, attendance in the hearing room will be limited to 50 people at a time in order to maintain social distancing of at least six (6) feet. Any individual attending the public hearing is strongly encouraged to wear a face covering while in attendance. Additionally, anyone that has symptoms of COVID-19 shall not attend the hearing in person. Members of the public that wish to participate in the public hearing are strongly encouraged to participate virtually via WebEx.

To attend the public hearings virtually and provide oral comment, log on to WebEx at the link provided on https://medicaid.georgia.gov/patientsfirst at the dates and times listed below.

The hearings will be held as follows:

- **Atlanta, Georgia**
  Monday, July 13, 2020, 10:00 a.m. EST
  2 Peachtree Street
  2 Peachtree St, *5th* Floor Boardroom
  Atlanta, GA 30303
  Or attend virtually via WebEx

- **Atlanta, Georgia**
  Wednesday, July 22, 2020, 10:00 a.m. EST
  2 Peachtree Street
  2 Peachtree St, *5th* Floor Boardroom
  Atlanta, GA 30303
  Or attend virtually via WebEx

Individuals or groups with disabilities, who require special accommodations, including auxiliary

communicative aids and services during these meetings should notify Matthew Krull at Matthew.Krull@dch.ga.gov or (404) 651-5016 no later than 24 hours ahead of the scheduled public hearing to ensure any necessary accommodation can be provided.

Individuals wishing to provide written comments on or before **July 23, 2020** may submit comments through an online webform located at: https://medicaid.georgia.gov/patientsfirst or to Ryan Loke, c/o The Office of the Governor at the following address, 206 Washington Street, Suite 115, State Capitol, Atlanta, Georgia 30334. Comment letters must be postmarked by **July 23, 2020** to be accepted.

NOTICE IS HEREBY GIVEN THIS 9TH DAY OF JULY 2020
Brian P. Kemp, Governor

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Brian P. Kemp, Governor
Frank W. Berry, Commissioner

2 Peachtree Street, NW | Atlanta, GA 30303-3159 | 404-656-4507 | www.dch.georgia.gov

Patients First Act Stakeholder Advisory Council

- Office of Governor Brian P. Kemp, Ryan Loke
- Georgia Department of Community Health, Blake Fulenwider
- Georgia Department of Community Health
- Governor's Office of Planning and Budget
- Georgia Department of Behavioral Health and Developmental Disabilities
- Senator Blake Tillery
- Senator Ben Watson
- Senator Freddie Powell Sims
- Senator Dean Burke
- Representative Jodi Lott
- Representative Sharon Cooper
- Representative Matt Hatchett
- Representative Patty Bentley
- Representative Mack Jackson
- Representative Butch Parrish
- Office of Insurance and Safety Fire Commissioner
- Medical College of Georgia - Augusta University
- Mercer University School of Medicine
- Grady Memorial Hospital
- Children's Healthcare of Atlanta
- Piedmont Hospital
- Wellstar Health System
- Hospital Corporation of America
- Miller County Hospital
- HomeTown Health
- Medical Association of Georgia
- GA Academy of Family Physicians
- American Academy of Pediatrics, Georgia Chapter
- American College of Physicians - Georgia Chapter
- Georgia Pharmacy Association
- Georgia Council on Substance Abuse
- Viewpoint Health
- Georgia Primary Care Association

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- Georgia Association of Community Service Boards
- Georgia Health Care Association
- Georgia Quality Health Plans Association
- Amerigroup Georgia
- CareSource Georgia
- Peach State Health Plan
- WellCare of Georgia
- Anthem Blue Cross Blue Shield of Georgia
- Alliant Health Plans
- Ambetter Health Plans
- Kaiser Health Plans
- Georgians for a Healthy Future
- Voices for Georgia's Children
- Georgia Public Policy Foundation
- Georgia State Health Law Clinic
- United Way

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Georgia Waiver Project

Stakeholder Meeting

November 4, 2019

1:00 PM

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Mission:

The mission of the Department of Community Health is to provide access to affordable, quality health care to Georgians through effective planning, purchasing, and oversight.

GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

1115 and 1332 Waiver Background Information

Patients First Act

Background

- Signed **March 27, 2019**
- Grants the Department of Community Health (DCH) authority to submit a Section 1115 waiver to the Centers for Medicare & Medicaid Services (CMS)
- Grants the Governor authority to submit one or more Section 1332 innovation waivers to the Departments of Health and Human Services (HHS) and Treasury

Key Points

- 1115 waiver must be submitted on or before **June 30, 2020**
- Allows increase in Medicaid eligibility to **max of 100% of Federal Poverty Level (FPL)**
- Grants **authority to implement** the 1115 waiver without further legislation
- 1332 waiver(s) must be submitted on or before **December 31, 2021**
- Upon approval of one or more 1332 waivers, **authorizes the state to implement**

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Source: Georgia General Assembly 2019-2020 SB 106

Purpose of 1115 Waivers

Purpose of the Demonstration Waivers

- Section 1115 of the Social Security Act grants the HHS Secretary authority to approve state waivers to **implement demonstration projects that test different approaches** promoting the objectives of the Medicaid program

Waiver Considerations for CMS Approval

- Waivers must be **budget neutral** for the federal government
- Waivers are typically approved for **five years** and often renewed
- **Revised approval criteria in 2017** grants increased flexibility

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Source: Information from Medicaid.gov About Section 1115 Demonstrations

Revised 1115 Approval Criteria

Revised CMS Waiver Approval Criteria (November 2017)

- **Improve access to high-quality, person-centered services** that produce positive health outcomes for individuals
- **Promote efficiencies** that ensure Medicaid's sustainability over the long-term
- **Support coordinated strategies** to address certain health determinants that promote upward mobility, greater independence, and improved quality of life
- **Strengthen beneficiary engagement** in their personal healthcare plan, including incentive structures that promote responsible decision-making
- **Enhance alignment** between Medicaid policies and commercial health insurance products to facilitate smoother beneficiary transition
- **Advance innovative delivery system and payment models** to strengthen provider network capacity and drive greater value for Medicaid

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Source: Information from Medicaid.gov About Section 1115 Demonstrations

Purpose of 1332 Waivers

Background:

- States may waive parts of the Affordable Care Act (ACA) to **pursue innovative strategies** to provide **access to high-quality, affordable health insurance**

Statutory Guardrails:

1. **Comprehensiveness:** Provide coverage at least as comprehensive as provided absent the waiver
2. **Affordability:** Provide cost-sharing protections against excessive out of pocket spending at least as affordable as absent the waiver
3. **Coverage:** Offer healthcare coverage to a comparable number of residents as absent the waiver
4. **Deficit Neutrality:** Must not increase the federal deficit

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Source: Information from CCIIO Section 1332: State Innovation Waivers, Kaiser Family Foundation Tracking Section 1332 Waivers, CMS and Treasury Guidance October 2018

Waiver Development Process

1. Completed Environmental Scan

- Conducted review of state and national healthcare trends
- Convened Georgia stakeholders from across the healthcare landscape

2. Developed and Modeled Potential Waiver Options

- Established goals and identified potential waiver options
- Developed actuarial models to assess financial and economic impact

3. Drafted Waivers

- Drafted waivers and released for public comment November 4, 2019
- Consulted with the Centers for Medicare & Medicaid Services (CMS)
- Holding six public hearings across the state
- Accepting public comments online or by mail through December 3, 2019

GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Overview of Draft 1115 Waiver Application

Goals of Georgia's 1115 Waiver

Improve access, affordability, and quality of healthcare in Georgia with strategies to:

- **Improve the health of low-income Georgians** by increasing access to affordable healthcare coverage by encouraging work and other employment-related activities
- Reduce the number of **uninsured Georgians**
- Promote member transition to **commercial health insurance**
- **Empower Georgia Pathways participants** to be active participants and consumers of their healthcare
- Support newly eligible member enrollment in **employer sponsored insurance**
- Increase the number of persons who become **employed**
- **Increase wage growth** for those who are employed
- Ensure the **long-term, fiscal sustainability** of the Medicaid program

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

1115 Waiver Design

Key Features of the Program

Provides **new pathways to Medicaid coverage** for Georgians who are not eligible for Medicaid today

Introduces elements of commercial health insurance, helping members with the eventual transition to that market

Provides premium assistance for eligible individuals with access to employer sponsored health insurance

New pathways begin July 1, 2021

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

New Pathways to Coverage

Georgia residents will now have a pathway to Medicaid coverage if they meet the following criteria:

- **Not currently eligible** for Medicaid in Georgia
- Ages **19 to 64**
- Income is **< 100% FPL**
- Working at least **80 hours / month** or engaged in another qualifying activity
- **American citizen** or documented, qualified alien

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

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New Pathways to Coverage

Qualifying Activities

- ✓ Unsubsidized employment
- ✓ Subsidized private sector employment
- ✓ Subsidized public sector employment
- ✓ On-the-job training
- ✓ Job readiness
- ✓ Community Service
- ✓ Vocational educational training
- ✓ Full-time enrollment in an institution of higher education

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

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Elements of Commercial Health Insurance

Members 50 – 100% FPL will have Premiums, Copays, and Rewards Accounts

Premiums

- Monthly premium payments are **based on income**

Copayments

- Copayment amounts **mirror the existing State Plan** (with the addition of a copay for non-emergent visits to the Emergency Department)

Member Rewards Account

- Members **earn points** by engaging in **healthy behaviors**
- Rewards Accounts can be used to purchase items such as **over the counter drugs**, **dental services**, **glasses**, and **contacts,** as well as pay **copayments**

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Employer Sponsored Insurance

Employer Sponsored Insurance (ESI)

- Georgia currently operates a voluntary **Health Insurance Premium Payment (HIPP) program** under the State Plan
- If an eligible individual gaining Medicaid coverage through Georgia Pathways has access to ESI, the **State will assess if it is more cost-effective** to enroll in Medicaid or pay the individual's portion of the ESI premium and other cost-sharing obligations
- If it is more cost-effective, the individual will be required to **enroll in their ESI plan instead of Medicaid**
- **Medicaid will reimburse the individual's portion** of the ESI premium

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Overview of Section 1332 Draft Waiver

Goals of Georgia's 1332 Waiver

Improve access and affordability of individual healthcare coverage in Georgia with strategies to:

- **Reduce premiums**, particularly in high-cost regions
- **Incentivize carriers to offer plans** in more counties across the State
- **Foster innovation** to provide better access to healthcare coverage
- **Expand choice** and **affordability** of options for consumers
- **Attract uninsured individuals** into the market
- **Maintain access** to metal level Qualified Health Plans (QHPs) and Catastrophic Plans
- **Maintain protections** for individuals with pre-existing conditions

1332 Waiver Design

Key Features of the Program

Implement a **reinsurance program** to help stabilize the individual market by **reducing premiums** and attracting and retaining carriers

Transition Georgia's individual market from the Federally Facilitated Exchange **to the Georgia Access Model** to improve access, choice, and affordability for consumers

Reinsurance begins 2021 and Georgia Access in 2022

Reinsurance Overview and Benefits

Elements of the Reinsurance Program

- **Claims-based reinsurance model**, projected parameters for 2022:
  - Attachment Point: $20,000
  - Cap: $500,000
  - Tiered Coinsurance Rate: 15%, 45%, 80%
- **Higher coinsurance rates** applied to **high-cost regions** of the state
- Target **10% reduction** in average premiums statewide

Georgia Access Model Overview

Front-End Operations (Private Sector)

- **Consumers shop**, **compare,** and **purchase plans** through the private sector (web-brokers or carriers)
- Private sector leverages mechanisms and incentives in the commercial market to provide **education**, **outreach**, and **customer service**

Back-End Operations (the State)

- **Certifies plans** eligible for subsidies (QHPs and Eligible Non-QHPs)
- Calculates **eligibility for subsidies**
- **Issues subsidies** to plans on behalf of individuals
- Provides **program oversight** and compliance

Georgia Access Model Benefits

What Stays the Same?

- Access to **current QHP and High-Deductible Plan** options
- **Protections** for individuals with pre-existing conditions
- **Subsidies** to support affordability (mirrors federal structure for 2022)

Benefits of Georgia Access

- **Ability for consumers to view all plans** available to them which are licensed and in good standing with the state via web-broker platforms
- Ability for consumers to **enroll/re-enroll directly with carriers**
- **Expands consumer choice** of affordable options with Eligible non-QHPs
- **Provides flexibility** for the State to adjust the program structure **to best meet the needs of Georgians**

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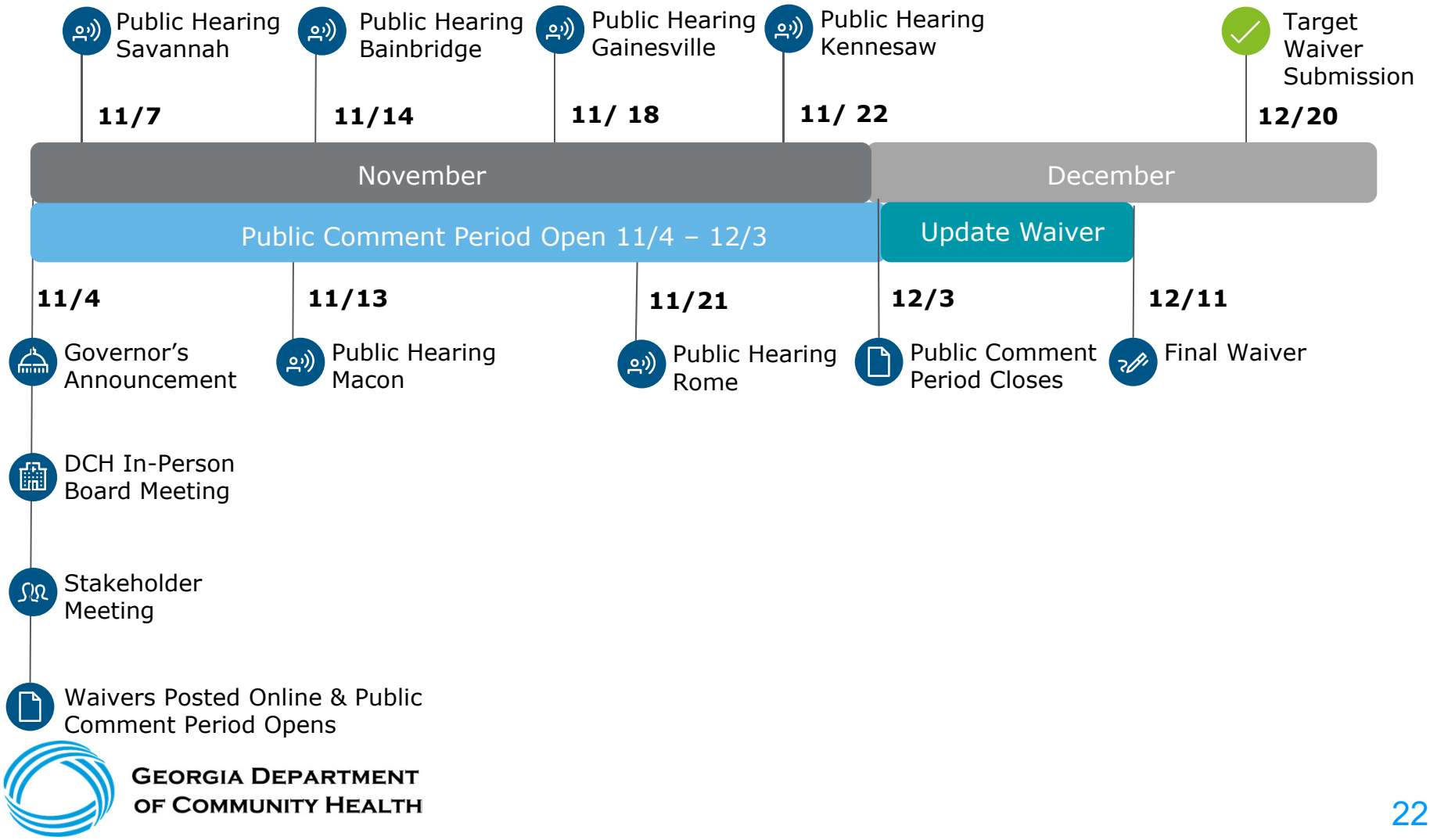
Public Comment Period

Public Comment Process



GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Public Comment Submission

Submit comments through December 3, 2019 **online** at:

https://medicaid.georgia.gov/patientsfirst

Submit comments **by mail** to:

For 1115:
Lavinia Luca
c/o Board of Community Health
Post Office Box 1966
Atlanta, Georgia 30301-1966

For 1332:
Ryan Loke
c/o The Office of the Governor
206 Washington Street
Suite 203, State Capitol
Atlanta, Georgia 30334

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

GEORGIA DEPARTMENT OF COMMUNITY HEALTH

Purpose:

Shaping the future of A Healthy Georgia by improving access and ensuring quality to strengthen the communities we serve.

Georgia Section 1332 Draft Waiver

Virtual
Public Hearing

10:00 AM

Today's 1332 Waiver Public Hearing

1. Brief overview on the background and modifications to the waiver

2. Open for in-person public comments (sign in sheet)

3. Open for webex public comments (click the hand icon next to your name)

4. You may also submit comments online or via mail **through July 23, 2020**:

   Online: **https://medicaid.georgia.gov/patientsfirst**

   Mail to: Ryan Loke
   c/o The Office of the Governor
   206 Washington Street
   Suite 115, State Capitol
   Atlanta, Georgia 30334

Background Information

Patients First Act

Background

- Signed **March 27, 2019**
- Grants the Governor authority to submit one or more Section 1332 innovation waivers to the Departments of Health and Human Services (HHS) and Treasury

Key Points

- 1332 waiver(s) must be submitted on or before **December 31, 2021**
- Upon approval of one or more 1332 waivers, **authorizes the state to implement**

Source: Georgia General Assembly 2019-2020 SB 106

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Purpose of 1332 Waivers

Background:

- States may waive parts of the Affordable Care Act (ACA) to **pursue innovative strategies** to provide **access to high-quality, affordable health insurance**

Statutory Guardrails:

1. **Comprehensiveness:** Provide coverage at least as comprehensive as provided absent the waiver
2. **Affordability:** Provide cost-sharing protections against excessive out of pocket spending at least as affordable as absent the waiver
3. **Coverage:** Offer healthcare coverage to a comparable number of residents as absent the waiver
4. **Deficit Neutrality:** Must not increase the federal deficit

Source: Information from CCIIO Section 1332: State Innovation Waivers, Kaiser Family Foundation Tracking Section 1332 Waivers, CMS and Treasury Guidance October 2018

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Waiver Development Process

1. Completed Environmental Scan

- Conducted review of state and national healthcare trends
- Convened Georgia stakeholders from across the healthcare landscape

2. Developed and Modeled Potential Waiver Options

- Established goals and identified potential waiver options
- Developed actuarial models to assess financial and economic impact

3. Drafted and Submitted Waiver Application

- Drafted waiver and released for public comment on November 4, 2019
- Submitted waiver application to HHS and Treasury on December 23, 2019

4. Modified Waiver Application

- Drafted modifications to waiver based on recent changes in the state and national landscape
- Released modified waiver for second public comment period on July 9, 2020

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Draft Section 1332 Waiver Application

Goals of Georgia's 1332 Waiver

Improve access and affordability of individual healthcare coverage in Georgia with strategies to:

- **Reduce premiums**, particularly in high-cost regions
- **Incentivize carriers to offer plans** in more counties across the State
- **Foster innovation** to provide better access to healthcare coverage
- **Expand choice** and **affordability** of options for consumers
- **Attract uninsured individuals** into the market
- **Maintain access** to metal level Qualified Health Plans (QHPs) and Catastrophic Plans
- **Maintain protections** for individuals with pre-existing conditions

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

1332 Waiver Design

Key Features of the Program

Implement a **reinsurance program** to help stabilize the individual market by **reducing premiums** and attracting and retaining carriers

Transition Georgia's individual market from the Federally Facilitated Exchange **to the Georgia Access Model** to improve access, choice, and affordability for consumers

Reinsurance and Georgia Access Begin in 2022

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Changes From Initial Waiver Application

Reinsurance Program

- The implementation of the Reinsurance Program has been shifted to **PY 2022** alongside Georgia Access

Georgia Access Model

- The State **is not seeking authority to certify and offer subsidies for Eligible non-QHPs**
- The State **is not seeking authority to issue state subsidies**
  - The State will send **enrollment and subsidy eligibility** information to the **U.S. Department of the Treasury**
  - Treasury will continue to issue **Advanced Premium Tax Credits (APTCs) and Premium Tax Credits (PTCs)**, as it does today which are only available for QHPs

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Reinsurance Program Overview

Elements of the Reinsurance Program

- **Claims-based reinsurance model**, projected parameters for 2022:
  - Attachment Point: $20,000
  - Cap: $500,000
  - Tiered Coinsurance Rate: 15%, 45%, 80%
- **Higher coinsurance rates** applied to **high-cost regions** of the state
- Target **10% reduction** in average premiums statewide

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Georgia Access Model Overview

Front-End Operations (Private Sector Entities)

- **Consumers shop**, **compare,** and **purchase plans** through a network of private sector entities (web-brokers or carriers)
- Private sector leverages mechanisms and incentives in the commercial market to provide **education**, **outreach**, and **customer service**

Back-End Operations (State)

- Calculates **eligibility for federal subsidies**
- Sends enrollment and eligibility information to Treasury Department

Back-End Operations (Federal)

- **Issues APTCs** for QHPs to plans on behalf of individuals and **reconciles PTCs** for individual during tax-filing

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Georgia Access Model Benefits

Benefits of Georgia Access

- Maintains access to **current QHP and Catastrophic Plan** options
- **Provides consumers with the ability to view all plans** available to them which are licensed and in good standing with the state via web-broker platforms
- Allows consumers to **enroll/re-enroll directly with carriers**
- **Provides for greater accuracy in projecting consumers' subsidy eligibility** by leveraging more updated income verification sources
- **Streamlines referrals** to and from Medicaid

Submit comments online at: **https://medicaid.georgia.gov/patientsfirst**

Open for Comment

1. Open for in-person public comments (sign in sheet)

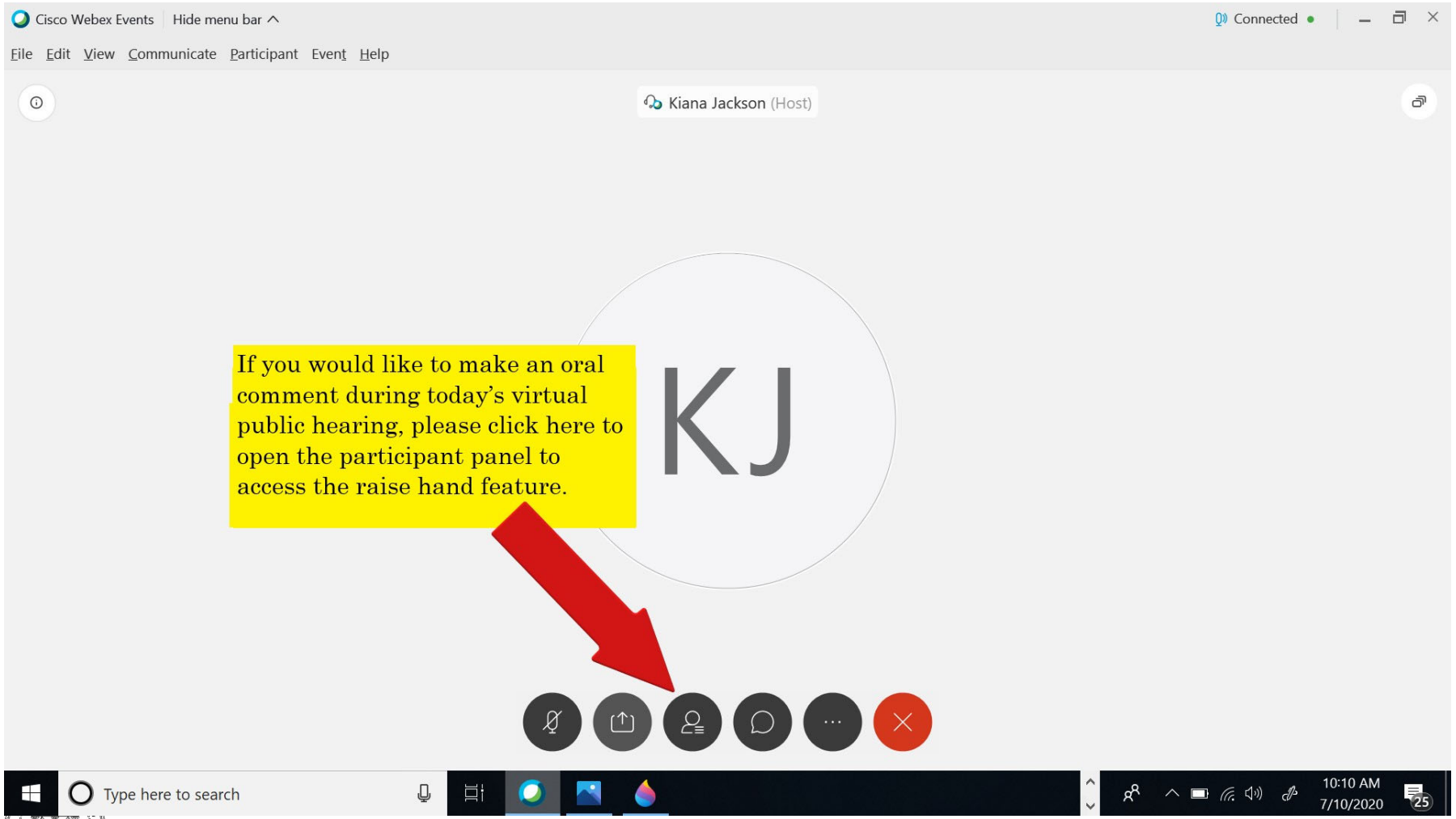
2. Open for telephonic public comments (click the hand icon next to your name)

3. You may also submit comments online or via mail **through July 23, 2020**:

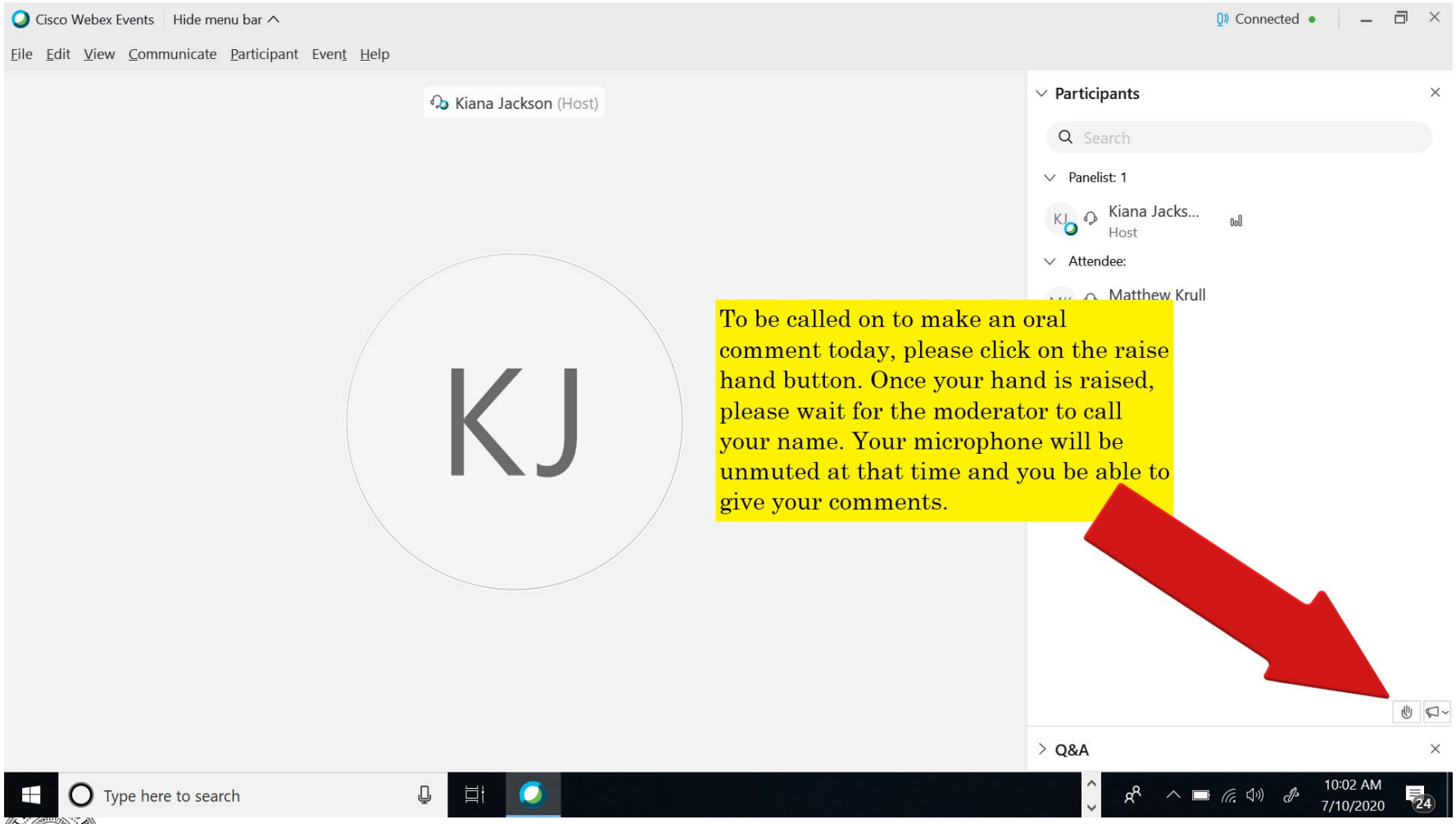
Online: **https://medicaid.georgia.gov/patientsfirst**

Mail to: Ryan Loke
c/o The Office of the Governor
206 Washington Street
Suite 115, State Capitol
Atlanta, Georgia 30334

Virtual public comments – Step 1



Virtual public comments – Step 2



Appendix H: Public Comments from Initial Waiver Application Submission

The State conducted a 30-day public comment period on the initial draft waiver application released November 4, 2019. The following provides an overview from the first public comment period, a summary of the comments received, and the State's response at that time with the initial waiver submission. The comments and responses from the second comment period supersede the first. It should be noted that some of the questions and answers from the first comment period outlined below no longer pertain to the modified waiver application as some of the comments do not apply to the modified waiver. The following appears in its original form from the first comment period and is attached for reference only, the comments do not reflect this modified waiver submission.

Public Notice, Comment Process, and Communications Plan from November 4, 2019 through December 3, 2019

Public Notice

Georgia used multiple mechanisms to notify the public about the 1332 Waiver application and provided ample opportunity for the public to provide feedback both via oral testimony and written comment. The State's public notice and public comment procedures are informed by, and comply with, the requirements specified in 31 CFR 33.112 and 45 CFR 155.1312.

On October 31, 2019, Governor Kemp publicly announced the 1332 Reinsurance Program and Georgia Access Waiver application. The official notice from the Governor was released on November 4, 2019 to commence the 30-day state public comment period which closed on December 3, 2019. The notice was distributed statewide, and on November 4, 2019, the State posted the public notice, including a comprehensive description of the application as well as the locations of the public hearings, on a dedicated webpage for the Patients First Act at, https://medicaid.georgia.gov/patientsfirst. The notice was shared via social media, including Facebook and Twitter.

Electronic copies of the waiver application and all presentations related to 1332 Waiver were available on the Patients First Act webpage throughout the comment period. The public notice provided instruction for any individual to submit written feedback to the State via an electronic intake portal on the dedicated webpage or by USPS mail. A full copy of the public notice is included as Appendix D of this waiver application.

At the onset of waiver development, the State convened a group of stakeholders comprised of individuals and organizations representing a variety of stakeholders across Georgia's healthcare landscape. The stakeholders were engaged during the waiver development process when considering changes to the individual marketplace to increase access across the state, lower the cost of healthcare for working Georgians, and improve quality of care. The State emailed the broad range of interested parties/stakeholders about the public notice and waiver application, and the State assembled the stakeholder group on November 4, 2019 to provide an overview of the draft waiver. This meeting was open to the public. A list of stakeholders notified about this

meeting is included as Appendix E of this waiver application, and a copy of the stakeholder presentation is included as Appendix F of this waiver application.

In addition to the stakeholder meeting, the 1332 Waiver was presented to a public legislative committee hearing, the Joint House and Senate Health and Human Services Committee, on November 5, 2019. This legislative hearing was open to the public, livestreamed online, and is available for viewing at https://medicaid.georgia.gov/patientsfirst.

Public Comment Process

The federal regulations require two public hearings; however, the State held six formal public hearings in geographically dispersed regions of the State during the public comment period. This was done to maximize opportunities for residents and stakeholders to be heard. These hearings took place as follows:

- **Savannah, Georgia**
  Thursday, November 7, 2019, 1:00 p.m. EST
  Hoskins Center for Biomedical Research, Mercer Auditorium
  1250 East 66th Street, Savannah, Georgia 31404

- **Macon, Georgia**
  Wednesday, November 13, 2019, 1:00 p.m. EST
  Mercer University School of Medicine, Auditorium
  1550 College Street, Macon, Georgia 31207

- **Bainbridge, Georgia**
  Thursday, November 14, 2019, 1:00 p.m. EST
  Southern Regional Technical College
  The Charles H. Kirbo Regional Center, Dining Room 112
  2500 East Shotwell Street, Bainbridge, Georgia 39819

- **Gainesville, Georgia**
  Monday, November 18, 2019, 1:00 p.m. EST
  Gainesville Civic Center, Chattahoochee Room
  830 Green Street, Gainesville, Georgia 30501

- **Rome, Georgia**
  Thursday, November 21, 2019, 1:00 p.m. EST
  West-Rome Baptist Church, The Well Building
  914 Shorter Avenue, Rome, Georgia 30165

- **Kennesaw, Georgia**
  Friday, November 22, 2019, 2:00 p.m. EST
  North Cobb Regional Library, Multi-purpose Room
  3535 Old 41 HWY, Kennesaw, Georgia 30144

Each of the six public hearings followed the same format, beginning with an overview of the 1332 Waiver proposal, followed by the collection of oral public comment. A court reporter

transcribed and entered into the public record all verbal comments presented during each of the public hearings. The transcripts from each of the public hearings are available on a dedicated webpage on the Patients First Act website, https://medicaid.georgia.gov/patientsfirst. A sign language interpreter was available at all the hearings for the individuals present, and individuals requiring special accommodations, including auxiliary communicative aids and services during these meetings could request such accommodations in advance of the meeting. A brief overview of the hearings is provided below. The hearing presentation is included as Appendix G.

Summary of Public Hearings

A total of 95 individuals attended the six hearings hosted across the State. Thirty-nine individuals gave oral testimony. Speakers spoke on behalf of themselves as Georgia residents and the following organizations: Step Up Savannah, Georgia Legal Services, Georgia Council on Substance Abuse, Georgians for a Healthy Future, Northeast Georgia Health System, Georgia Interfaith Public Policy Center, Georgians for a Healthy Future, Georgia Budget and Policy Institute, Georgia Advocacy Office, American Lung Association, 9to5, Alliant Health Plans, CCC Inc, YWCA of Greater Atlanta, GOTA, Community Catalyst, NAMI, 159 Georgia Together, Recovery Bartow, New Georgia Project, Georgia Cystic Fibrosis Foundations, National MS Society, The Carter Center, Therapy Works PC. A copy of the oral testimony may be found on a dedicated webpage on Patients First Act website, https://medicaid.georgia.gov/patientsfirst.

Total Comments Received

Following the public comment period, all written and oral comments were cataloged, summarized, and organized. The State gave all comments received through the various mechanisms the same consideration. Additional information regarding the comments received regarding the 1332 Waiver, as well as the State's response to those comments is outlined below.

In total, the State received 946 public comments during the public comment period, including 907 written comments and 39 oral testimonies across the six public hearings. The State reviewed all comments and appreciates the public input received from Georgia residents and interested organizations. A summary of the comments received, and the State's responses, are detailed below, including modifications made to the waiver application as a consequence of the comment period.

The following summary combines the testimony offered at the public hearings as well as the comments received by the State through the comment portal and via USPS mail. To address public input, comments are summarized by topic and are followed by a response. A complete collection of all public comments submitted is available on a dedicated webpage on Patients First Act website, https://medicaid.georgia.gov/patientsfirst.

Reinsurance Program Comments

Comments received addressed multiple provisions in the waiver application, offering support, opposition, and/or suggestions. The comments received about the Reinsurance Program have been categorized into the following topics:

- Program Goals
- Operational Considerations
- Other

Program Goals:

Summary of Comments: Some commenters were in support of the proposed Reinsurance Program and commended the State for its steps to stabilize the individual market with a tiered coinsurance rate to bring down premiums in high-cost regions of the State. Other commenters expressed concerns that the Reinsurance Program would benefit insurance carriers rather than consumers, would have limited impact on consumers, or would only benefit consumers who are not eligible for subsidies.

State Response: Reinsurance programs provide payments to carriers to help offset the cost of insuring members with high medical claims. This brings greater predictability in pricing and lowers the risk of market participation for carriers, resulting in reduced overall premiums compared to what they would be without reinsurance and fosters a more competitive marketplace. Lower insurance premiums impact the entire individual market, although it is expected that individual consumers who are ineligible for subsidies and currently pay the highest premiums will see the greatest benefit from the expected reduction in premiums. Reinsurance programs have been approved in 12 other states and are proving to be effective at reducing premiums and maintaining/increasing carrier participation in the individual market.

Operational Considerations:

Summary of Comments: Some commenters raised operational considerations regarding the implementation of the Reinsurance Program, including reimbursing carriers on an ongoing basis rather than at the end of the plan year and modifying the current risk adjustment process to account for the new reinsurance program.

State Response: The State appreciates the operational considerations and will take these comments into account during operational design. The State will evaluate the benefit of implementing a risk adjustment dampening factor during waiver negotiations with CMS and the Treasury Department to account for changes in the risk pool with the implementation of the Reinsurance Program.

Other:

Summary of Comments: Some commenters were generally opposed to the waiver and suggested the State instead use funding to expand Medicaid to 138% of the FPL.

State Response: Section 1332 Waivers address the individual health insurance market and do not address Medicaid. The authorizing legislation, Patients First Act, codified at OCGA §49-4-142.3 authorizes the Governor to submit a Section 1332 Waiver and DCH to submit an 1115 Medicaid waiver for new populations up to 100% of the FPL. The legislation does not permit Medicaid expansion to newly eligible populations up to 138% of the FPL. The separately proposed 1115 Demonstration Waiver provides a new Pathway for Medicaid coverage for individuals up to 100% of the FPL. Individuals between 100% and 138% of the FPL have the option to purchase individual health insurance with premium subsidies and cost-sharing reductions (CSRs).

Changes to the Waiver

The State appreciates the public's input on the Georgia 1332 Waiver. Based on an analysis of the comments received, both written and those given through oral testimony, and other channels of feedback, the State has not proposed any changes to the proposed Reinsurance Program.

Georgia Access Model Comments

Comments received addressed multiple provisions in the waiver application, offering support, opposition, and/or suggestions. The comments received about the Georgia Access Model have been categorized into the following topics:

- Consumer Experience
- Eligible non-QHPs
- Program Budget and Funding
- Operations Considerations
- Other

Consumer Access:

Summary of Comments: Commenters expressed concerns that the Georgia Access Model will be more difficult to navigate for consumers than the FFE. Some commenters asked what communications will be available to help individuals understand which plans are PPACA compliant. Others expressed concerns that consumers would have to navigate multiple websites to find all the plans available to them and the information they need. Some commented that brokers are a biased source of information and will not help individuals choose the plans that are best for them and/or charge additional fees to consumers. Some commenters expressed concerns that multiple enrollment sites will place an increased burden on individuals whose first language is not English.

State Response: The Georgia Access Model creates a no-wrong-door approach for the consumer to purchase a plan that best meets their needs and gain access to subsidies, if eligible. Georgia has designed a process that provides individuals additional enrollment options and simplifies the enrollment process through an enhanced customer service shopping experience, selection, and enrollment. To improve access, OCI will provide consumers with a single source of information on where to access and enroll in health insurance coverage. Through the existing OCI website, the State will provide a list of approved carriers and web-brokers that are participating in Georgia Access. In addition, HealthCare.gov, the existing FFE Georgia platform, will provide consumers with a link to the State OCI website if an individual attempts to enroll using a Georgia location. This will be part of the transition strategy that is intended to provide consumers with the necessary information to shift from using the FFE to enrolling through the new multi-channel enrollment options available via Georgia Access. Web-brokers will leverage best practices and leading industry e-commerce standards to continually innovate and improve upon the customer service experience. The State strongly believes consumers will see an enhanced and simplified consumer experience in the Georgia Access Model compared to the FFE as web-brokers offer additional tools and decision support to help consumers navigate choices. Web-brokers often provide enhanced services, such as multi-lingual support and tailored search functions. Today web-brokers are incentivized to provide the best possible consumer experience to retain their consumer base year over year. Brokers will continue to be compensated as is the common practice in the market today.

The State will examine and consider industry best practices, including those for Enhanced Direct Enrollment (EDE) providers, and provisions outlined within 45 CFR § 155.220 to ensure that consumers have comprehensive and secure access to available plan options. Participating web-brokers will be required to display all available QHPs and clearly differentiate for consumers which plans are subsidy-eligible and which are not. Web-brokers will be prohibited from providing financial incentives for specific plan selection in alignment with federal regulations.

Summary of Comments: Some commenters expressed concerns that PPACA-compliant plans will no longer be available in the State or that consumers will lose access to the benefits and services covered by these plans. Some commenters worried QHPs will become more expensive, or that children will not be able to stay on their parents' health plans up to 26 years of age.

State Response: Consumers will have access to the same metal level QHPs and Catastrophic Plans sold today. The State does not anticipate the cost of these plans increasing with the introduction of two new Eligible non-QHPs for PY 2022, Copper Plans and Disease Management Plans, and estimates a reduction in overall premiums. The State will continue to maintain the requirement for QHPs and Eligible non-QHPs to allow children to stay on their parents' insurance until 26 years of age. One of the goals of the Georgia Access Model and providing subsidies to Eligible non-QHPs is to spur innovation to better meet the needs of Georgians while maintaining consumer access to plans offered through the FFE today.

Eligible non-QHPs

Summary of Comments: Commenters expressed concerns that allowing Eligible non-QHPs to potentially eliminate an EHB category would cause adverse selection with healthy individuals migrating to cheaper plans, driving up the cost of coverage for individuals with pre-existing conditions who need to buy richer plans. Some commenters expressed concerns that the State would be subsidizing sub-standard plans. Some commenters expressed concerns that the State would not enforce mental health parity.

State Response: Based on the feedback received from comments, the State has provided further detail on the consumer and regulatory requirements of Eligible non-QHPs. The goal of the Georgia Access Model is to spur innovation in the individual market while maintaining access to QHPs and ensuring consumer protections for individuals with pre-existing conditions. The State will continue to certify metal level QHPs and Catastrophic Plans that will be required to maintain all the same requirements and protections for plans offered on the FFE today. In addition, the State will certify Eligible non-QHPs to provide residents with expanded access to affordable health care coverage options.

Eligible non-QHPs will be required to maintain many of the same requirements and consumer protections as QHPs, such as no pre-existing conditions exclusions and no annual or lifetime limits. The State will also maintain mental health parity requirements for QHPs and Eligible non-QHPs in accordance with federal regulations under 42 USC 300gg-26: Parity in mental health and substance use disorder benefits which prohibits group and individual market plans and health issuers that provide mental health or substance use disorder benefits from imposing less favorable benefit limitation on those benefits than on medical/surgical benefits.

For PY 2022, the State is considering certifying Copper Plans and Disease Management Plans. Both of these Eligible non-QHPs will be required to cover all ten EHB categories. Copper Plans

will look like the other QHP metal levels and will be required to meet QHP requirements, including preventive services and network adequacy, but at a 50% actuarial value. Disease Management Plans must include all ten EHBs and be assigned a metal level. These plans will continue to be in the single risk pool and may not deny coverage based on health status. These plans will be granted flexibility within QHP requirements and benchmark plan requirements (while still needing to offer the ten EHB categories) in order to innovate to meet consumer needs specific to complex health conditions. These plans will be designed to provide specialized care and enriched benefits to help individuals better manage and prevent the progression of specific diseases or conditions. If the State seeks to certify additional Eligible non-QHP types in future years based upon identified need, the State will inform the Departments of proposed changes to the program with an actuarial analysis, and submit for approval from CMS and the Treasury Department, in accordance with the Specific Terms and Conditions (STCs) that would be issued by the Departments for this waiver upon approval.

Other non-QHPs

Summary of Comments: Some commenters expressed concerns about allowing access to non-PPACA compliant plans, such as Short-Term Limited Duration Plans.

State Response: Non-QHP products are available in the market today, although consumers must navigate different sites to be able to find all the health care options available to them. Non-QHPs will be accessible through Georgia Access; however, only consumers purchasing QHPs and Eligible non-QHPs will be eligible for subsidies.

Program Budget:

Summary of Comments: Commenters expressed concerns about the State program budget cap and the potential for placing eligible individuals on a waitlist for subsidies. Some commenters were concerned the cap would limit the amount of benefits available to an enrollee. Others commented that the program budget was too expensive and had a limited impact on consumers. Other commenters asked how the State plans to fund the program.

State Response: The State understands and appreciates the concerns about the State's budget cap and the potential impact on consumers. The program cap does not impact the availability of benefits for enrollees. The State is setting a total 1332 program budget cap to ensure responsible financial stewardship of State funds and to maintain a balanced budget as required by the Georgia Constitution. The cap is being set above the funding required to cover the number of individuals who are receiving subsidies through the FFE before the waiver, with funding projected to accommodate an enrollment growth up to 79,000 new enrollees, with 25,570 of those subsidy-eligible for PY 2022. The cap is for state funding that is in addition to the pass-through funding from the federal government and will be evaluated annually.

The FFE continued to see declining enrollment over the last few years, both in Georgia and nationally. Georgia has experienced a 22% decline in consumers selecting a plan on the FFE since 2016. From 2017 – 2019, approximately 35,000 consumers left the market. Without course correction, the State believes the individual market will continue to erode and further drive individuals out of the market, leaving many uninsured. The Georgia Access Model offers an innovative solution to retain and attract individuals back into the individual market. The cap for PY 2022 was set with an aggressive enrollment growth projection for subsidy-eligible

individuals. The State does not expect to reach the budget cap, nor does it anticipate that a waitlist for subsidies will be necessary but has developed a process should the need arise. Indeed, the cap will only be invoked if the number of insured individuals with subsidies increases significantly compared to projections absent the waiver.

Funding for the 1332 waiver will be provided from the State General Fund. The State will consider and evaluate other funding options during implementation.

Operational Considerations:

Summary of Comments: Comments and suggestions were received regarding operational aspects of Georgia Access. Some comments expressed concerns with the staffing and budget needed for the Office of Health Strategy & Coordination. Others expressed concerns with the IT infrastructure required and the need for an electronic eligibility hub for consumers, carriers, and web-brokers. Others commented that they appreciated simplicity of the required application format for the FFE. Some commenters asked how the State can guarantee the availability of QHPs. Others voiced concerns on the transition for individuals currently buying on the FFE,

State Response: The State appreciates the operational considerations and will take these comments into account during program design and operations. Staffing and resources for the Office of Health Strategy & Coordination will be allocated by the General Assembly as part of the state budget. The State plans to leverage its current IT infrastructure, where possible, to build the eligibility and subsidy determination capabilities required for the Georgia Access Model and anticipates establishing an electronic eligibility services hub for integration with carriers and web-brokers.

The State will detail requirements for offering Eligible non-QHPs during operations as part of plan certification requirements. The State does not anticipate carriers leaving the QHP market due to the introduction of Copper Plans and Disease Management Plans. Copper Plans are expected to attract new individuals and/or individuals who have left the market in recent years by providing more affordable options. The State does not anticipate carriers offering QHPs in the market today having an incentive to offer only Copper Plans, as there will remain an attractive market for QHPs. Eighty-five percent of Georgia's individual market consumers receive subsidies today. These subsidized consumers have little or no incentive to buy down to a Copper Plan given that for most subsidized consumers an existing metal level QHP is affordable and provides a higher actuarial value. If carriers elected to not offer other metal levels, they would be forgoing a large market of enrollees. In addition, the federal risk adjustment program accounts for disparities in health of enrollees across carriers in the market.

Similarly, the State does not anticipate Disease Management Plans to disrupt the QHP market as these plans will be assigned metal levels, participate in the single risk pool, and target individuals with complex health needs. Enrollees in these plans are expected to be a small percentage of the overall QHP market, maintaining incentives for carriers to continue to offer QHPs for the broader individual market.

Web-broker requirements, including application requirements, will also be detailed during operations. It is the intention of the State to allow the private market flexibility to innovate to enhance the consumer shopping and enrollment experience. However, all market participants must adhere to state requirements for consumer access and transparency, such as requiring web-

brokers to display all available QHPs and clearly differentiating for consumers which plans are eligible for subsidies and which are not.

The State will develop a robust implementation plan and work in coordination with CMS, web-brokers, and carriers to develop a transition and communication strategy for individuals currently buying insurance through the FFE. The State anticipates more individuals will gain coverage through Georgia Access than are currently buying on the FFE.

Other:

Summary of Comments: Some commenters expressed concerns with changes to the subsidy structure that would negatively impact low-income Georgians and the elimination of CSRs.

State Response: The State plans to implement a subsidy structure for PY 2022 that mirrors the federal structure for individuals with incomes between 100 – 400% of the FPL and will maintain CSRs for eligible individuals. If the State seeks to modify the subsidy structure in future years based upon identified need, the State will inform the Departments of proposed changes to the program with an actuarial analysis and submit for approval from CMS and the Treasury Department, in accordance with the STCs that would be issued by the Departments for this waiver upon approval.

Summary of Comments: Some commenters were generally opposed to the waiver and suggested the State instead use funding to expand Medicaid to 138% of the FPL.

State Response: Section 1332 Waivers address the individual health insurance market and do not address Medicaid. The authorizing legislation, Patients First Act, codified at OCGA §33-1-26 authorizes the Governor to submit a Section 1332 Waiver. OCGA §49-4-142.3 authorizes DCH to submit an 1115 Medicaid waiver for new populations up to 100% of the FPL. The legislation does not permit Medicaid expansion to newly eligible populations up to 138% of the FPL. The separately proposed Medicaid 1115 Demonstration Waiver provides a new Pathway for Medicaid coverage for individuals up to 100% of the FPL. Individuals between 100% and 138% of the FPL have the option to purchase individual health insurance with premium subsidies and CSRs.

Changes to the Waiver

The State appreciates the public's input on the Georgia 1332 Waiver. Based on comments received, both written and those given through oral testimony and other channels of feedback, the State has proposed the following changes to the Waiver:

- Added requirements for Eligible non-QHPs. See Program Design – Plan Certification.
- Defined the two types of Eligible non-QHPs the State is considering certifying and subsidizing for PY 2022, Copper Plans and Disease Management Plans. See Program Design – Plan Certification.
- Added requirements for web-broker participation within Georgia Access. These are similar to the requirements that CMS established for EDE vendors, including requirements to: display all QHPs in the market available to consumers; provide clear and transparent language to differentiate between QHP and non-QHP plans and subsidy-eligible plans; and not provide financial incentives, such as rebates or giveaways. See Program Design – Access.

- Clarified that OCI will provide consumers information on individual health care coverage options available within the State and how to access and enroll in that coverage through the existing OCI website. If a Georgia resident seeks coverage through HealthCare.gov, CMS will redirect them, via hyperlink, to the State OCI website. CMS currently provides this service to all non-FFE states. See Program Design – Access.
- Added information on the IT infrastructure the State plans to leverage to support Georgia Access. See Program Design – State IT Infrastructure.
- Added detail for the Georgia Access Model implementation plan and timeline. See Implementation Plan and Timeline.

Tribal Consultation

The State of Georgia does not have any Federally recognized Indian tribes within its borders and thus has not established a separate process for consultation with any tribes with respect to this Section 1332 Waiver application.

Appendix I: Summary of Responses to Federal Comment Period

The State appreciates the comments and considerations brought forward by stakeholders and the public throughout the 1332 waiver application development, submission, comment, and review process.

Georgia conducted a 30-day public comment period and held six in-person hearings on the draft waiver application released November 4, 2019. The federal government also held a 30-day public comment period on the application. The State conducted an additional 15-day public comment period and held two in-person and virtual hearings on the modified waiver application submitted to the Departments on July 31, 2020. The federal government held a 37-day public comment period for the waiver application.

The State responded to comments received during the federal public comment period from August 17, 2020 to September 23, 2020 throughout the application. The State's responses to comments received are delineated below.

Transition from the FFE to Georgia Access

Summary of Comments: Several commenters raised concerns regarding the transition from the FFE to the Georgia Access Model for PY 2022. Some commenters were concerned with the short timeline for transition planning and others were concerned with the potential drop in enrollment. Others expressed concern regarding migrating during a national pandemic and some commenters asked for additional detail on the State's communication and migration plan.

State Response: The State added clarification and operational details to the waiver application to address concerns raised. In response to the comments expressing concerns regarding COVID-19, the State decided to move the implementation date for Georgia Access to PY 2023. This will also allow for additional time to further engage with stakeholders and communicate with the public to support the successful transition of current marketplace consumers to the Georgia Access Model. Therefore, the waiver application includes:

- Additional detail on the State's communication plan and plan for auto-reenrollment for the transition from the FFE in *Part II: Georgia Access Model, Section 1: Program Overview, Program Design – Access.*
- Updates to the Budget Neutrality Analysis for the Georgia Access Model go-live date of PY 2023. *Appendix C: Actuarial and Economic Analysis* was updated as were all references throughout the waiver application regarding go-live dates, budget projections, and premium and enrollment impacts.
- Implementation Timeline dates for the Georgia Access Model go-live date of PY 2023 in *Part II: Georgia Access Model, Section VII: Implementation Plan and Timeline.*

Impact on Medicaid Eligible Consumers

Summary of Comments: Several commenters raised concerns about how individuals who are eligible for Medicaid will be impacted with the transition from the FFE to the Georgia Access Model. Some specifically asked how agents and brokers will be incentivized to support these individuals.

State Response: Additional detail on how Georgia Access will streamline the referral process for Medicaid-eligible individuals and incentivize agents and brokers to provide support for consumers is provided in *Part II: Georgia Access Model, Section 1: Program Overview, Program Design – State IT Infrastructure.*

Impact of Short – Term Limited Duration Insurance (STLDI)

Summary of Comments: Some commenters raised concerns about the impact of STLDI on the QHP market and incentives for agents to inappropriately steer consumers to these plans.

State Response: Additional detail on the State's assumptions and consumer protections is provided in *Part II: Georgia Access Model, Section 1: Program Overview, Projected Impact on Consumers.*

Support for Consumers

Summary of Comments: Some commenters raised questions and concerns about how vulnerable individuals will be assisted in the Georgia Access Model (e.g., those with limited education, low health literacy, limited English proficiency). Others asked for additional detail on where consumers will receive post-enrollment support. Others raised concerns about losing Healthcare.gov as the central plan shopping and enrollment channel.

State Response: Additional detail on how individuals will be assisted in the Georgia Access Model and post-enrollment support is provided in *Part II: Georgia Access Model, Section 1: Program Overview, Program Design – Consumer Assistance.*