

## Oregon Reinsurance Program

Access to Health Care

### OREGON'S HEALTH INSURANCE COST SHARING PROGRAM



### Origin's of Oregon's Reinsurance Program

- ▶ 1. Program Benefits.
- ▶ 2. Federal Requirements
- ▶ 3. Cost Sharing Mechanisms
- ▶ 4. Program funding; Past and Present
- ▶ 5. Federal Reporting
- ▶ 6. What does the future hold?
- ▶ 7. Q/A



### Purpose State Innovation Waiver PPACA 1332(1)(c)

- ▶ 1332 § Waivers provide States with innovative ways to stabilize their Individual Market
- ▶ Waivers are granted for 5 years
- ▶ States must satisfy the 4 Guardrails



### Federal Guardrails PPACA 1332(1)(c)

- ▶ **Expand Coverage throughout Oregon**
  - At Least **2 Health Care exchanges** for 36 counties (2019)
- ▶ **Affordability**
  - Rates avg. **6.3% lower** than without waiver (2019)
- ▶ **Comprehensive Coverage**
  - ACA Compliant Plans (2018 173,099 to 199,031)
- ▶ **Deficit Neutral**
  - Waiver must not increase the Federal Deficit



### Center For Medicare and Medicaid Services Reporting Requirements

- ▶ 4 Quarterly Reports
- ▶ Annual Report
- ▶ Public Forum 10/22/2019 @ 1PM
- ▶ (Center for Medicare and **Medicaid** Services State Innovation Waivers)



### Oregon's Law **HB-2391** §1-25

- ▶ Department of Business and Consumer Services (DCBS)
- ▶ DCBS is Authorized to:
  - ▶ Manage ORP **01/01/2018 to 01/02/2023**
  - ▶ Collect a **1.5%** assessment from PEBB and MCO gross amount of premiums for 8 quarters (**Measure 101**)
  - ▶ Pass on Funds to Oregon Health Authority to provide assistance to Medicaid (\$127M over 5 quarters)
  - ▶ Retain a portion of the funds to reimburse the 7 eligible health insurers \$90 million (2018 State \$35,517,887-Federal \$54,482,113).



### Extended **HB-2010 §1-25**

- ▶ Department of Business and Consumer Services (DCBS)
- ▶ DCBS is Authorized to Extend the ORP:
  - ▶ Manage ORP **01/01/2020 to 12/31/2026**
  - ▶ Collect a **2.0%** assessment from PEBB and MCO gross amount of premium equivalents per quarter
  - ▶ Pass on Funds to Oregon Health Authority to provide assistance to Medicaid-Interagency 4/2020
  - ▶ ORP retains a portion of funding to reimburse the 7 eligible health insurers. (Federal \$42M 2019)

### Benefits of Cost Sharing

- ▶ Increasing Choices available to Consumers
- ▶ Improve quality and lower Health Care Cost
- ▶ Minimum coverage of at least 2 carriers per county
- ▶ Reduced Volatility by sharing cost
- ▶ Long Term Stability in the Individual Market

### Cost Sharing Mechanisms

- ▶ Attachment Points
  - I. 2018 \$95,000 up to Cap \$1million
  - II. 2019 \$90,000 up to Cap of \$1million
- ▶ Coinsurance rate  
50% of all paid claims

### Current and Future Funding

- ▶ Oregon Transitional Reinsurance Pool CY 2016 (OTRP)\*
- ▶ Oregon Health Insurance Marketplace CY 2017 (OHIM)\*
- ▶ Center for Medicaid and Medicare Services (CMS) Pass-Through-Funding 2018-2026
- ▶ 1.5% assessment on the gross amount of premiums derived from individual health benefit plans(2018-2019).
- ▶ HB-2010 2.0% assessment on the gross amount of premiums derived from individual health benefit plans(2020-2026).

### ORP Claims Processing

- ▶ Eligible Individual Health Insurers Submit Claims Data
- ▶ DCBS/DFR Audits submitted claims
- ▶ ORP Submits Reimbursement Payments

### Future Opportunities & Challenges

- ▶ Expand Insurance Coverage in Communities of Oregon
- ▶ Maintain affordable prices
- ▶ Increase Enrollment
- ▶ Offer additional comprehensive Coverage Options
- ▶ Market Stabilization

**Q/A?**

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