

House Rural Development Council

Nov. 16, 2023



Jesse Weathington, President & CEO

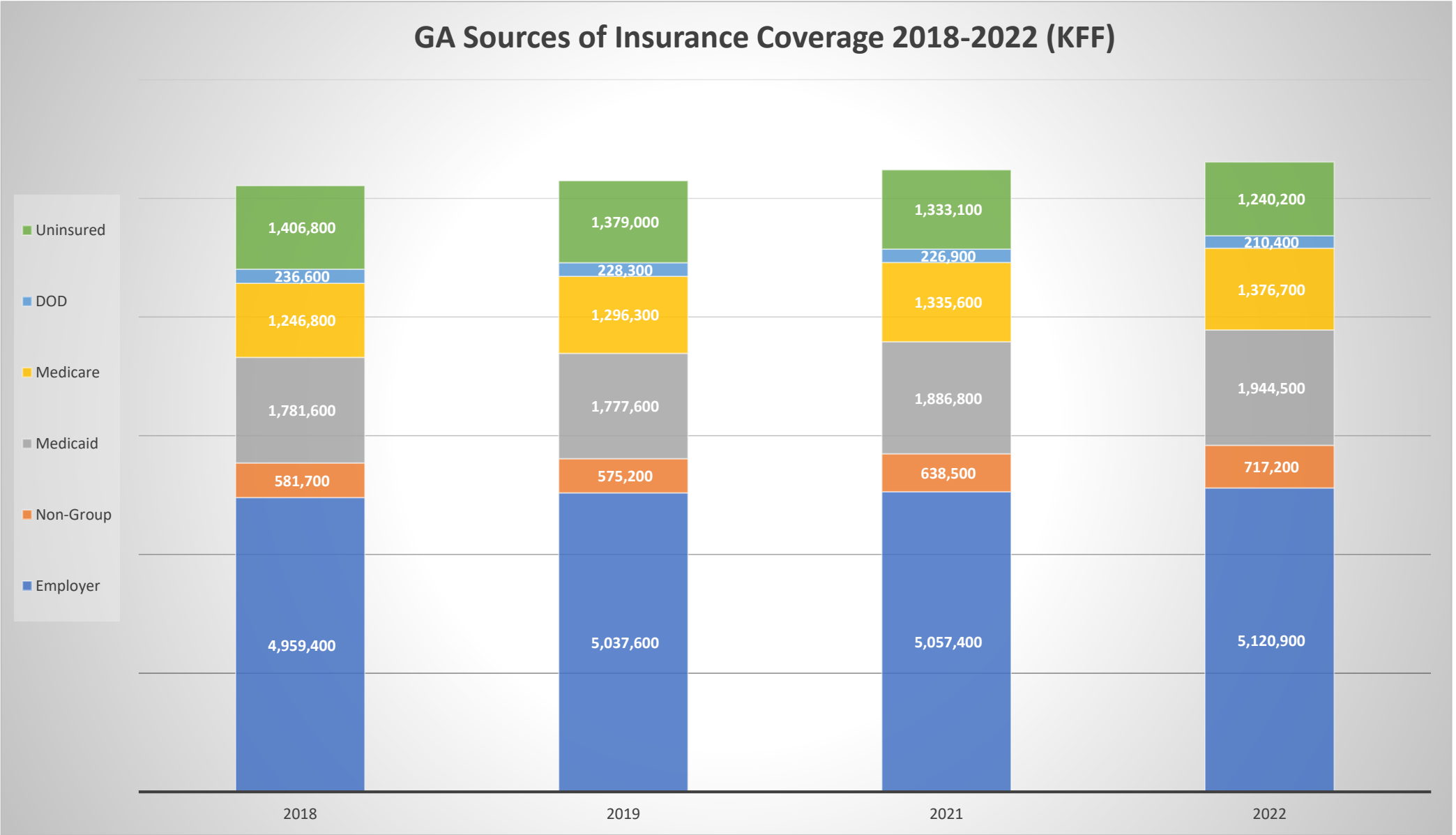
Sources of Insurance Coverage -2021



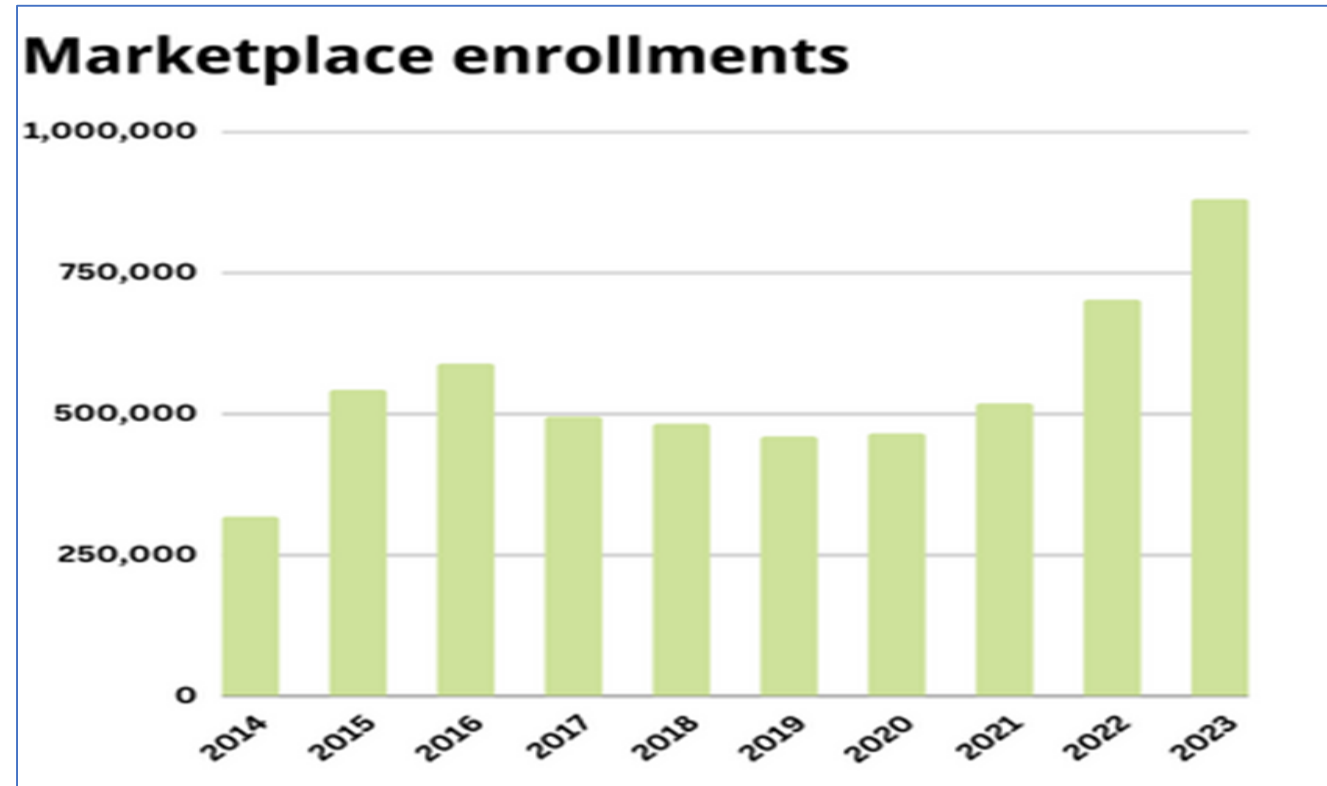
Health Insurance Coverage Type (2021)¹

Uninsured	12.6%
Employer	51.9%
Individual	6.2%
Medicaid/CHIP	13.1%
Medicare	16.3%

Recent Trends in Coverage



GA Enrollment Trends 2014-2023



State	Platform	2023	2022	2021	% Change 2022 to 2023	% Change 2021 to 2023
GA	HC.gov	879,084	701,135	517,113	25%	70%

Patients First Act Reinsurance Program



In 2019, the General Assembly passed SB 106, signed into law by Governor Kemp 03/27/19.



The legislation authorized the Governor to submit a Section 1332 State Relief and Empowerment Waiver request to HHS and the Treasury to implement innovative solutions to the state's health care issues.



Part I of resulting the 1332 waiver submission was to implement a five-year state reinsurance program for coverage sold on the Health Insurance Marketplace, or Exchange, beginning in PY2021.



The goal of the reinsurance program is to “reduce premiums, increase coverage, and promote a more competitive private insurance marketplace.” PFA has a focus on affordability in rural Georgia.



Georgia received approval for the program on Nov. 1, 2020.



Due to COVID, implementation was delayed until PY2022.

1332 STATE INNOVATION WAIVER DEVELOPMENT FOR STATE-BASED REINSURANCE

Updated: January 2023

16 STATES

have **received CMS approval** of their 1332 reinsurance waiver proposals: Alaska, Colorado, Delaware, Georgia, Maine, Maryland, Minnesota, Montana, New Hampshire, New Jersey, North Dakota, Oregon, Pennsylvania, Rhode Island and Wisconsin.

5 STATES

submitted a letter of intent to apply for 1332 reinsurance waiver extensions: Alaska, Colorado (received approval for extension), Maine, Oregon and Wisconsin.

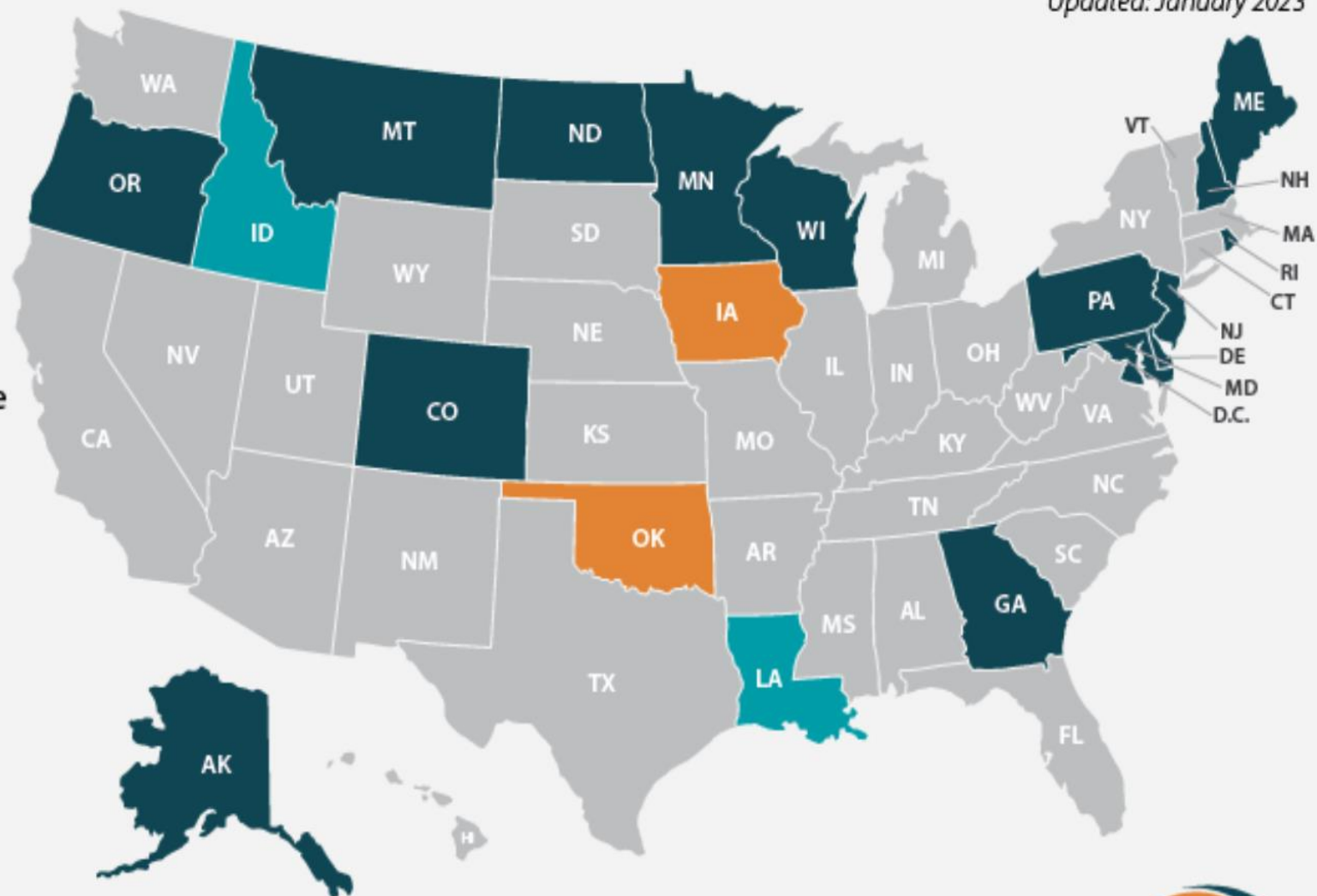
2 STATES

submitted 1332 reinsurance waiver applications that were later **withdrawn**: Iowa and Oklahoma.

2 STATES

released draft 1332 reinsurance waiver applications but have not yet formally submitted to CMS: Idaho and Louisiana.

There are no states awaiting review of 1332 reinsurance waiver applications.



Patients First Act – Georgia Access



Part II of the 1332 waiver establishes the Georgia Access program.



Originally, Georgians shopping for insurance on healthcare.gov would instead use third-party brokers or direct enrollment through a carrier. However, implementation was delayed due to ongoing disagreement between the federal and state government.



In 2023, the General Assembly passed SB 65 to allow for the state to assume operational responsibility for a State Based Exchange (SBE). On July 27, 2023, CMS did not approve a full SBE in OE24. Instead Georgia received conditional approval to field a SBE-Federal Platform (SBE-FP) for OE24 and a full SBE during OE25.

Georgia Reinsurance Program – PY 2022

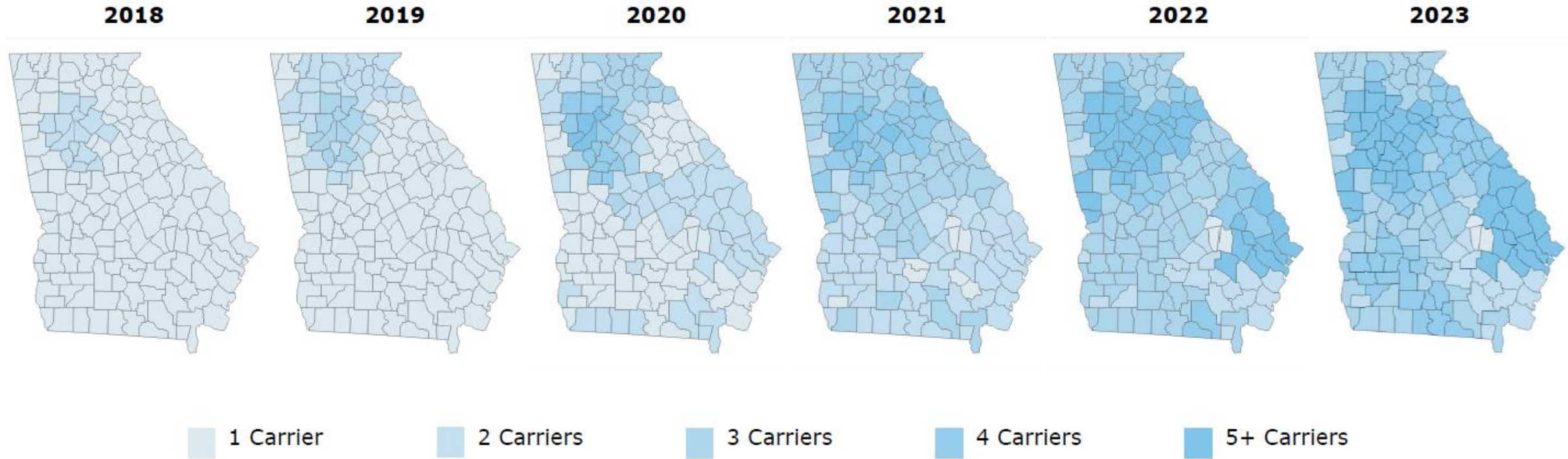
- **Type:** Traditional Reinsurance
- **Attachment Point:** \$20,000-\$500,000
- **Coinsurance Rate:** 15%-45%-80% tiers based on claim cost reduction targets in 3 groupings of Geographic Ration Areas
- **State Funding:** \$92 million (23.1% of total) for PY2022 (SGF)
- **Federal Funding:** \$306 million in passthrough funding (76.9% of total) for PY2022
- **Marketplace Type:** Federally Facilitated Marketplace (FFM)
- **Number of Carriers:** 11

Results

- **Premiums have been reduced an average 12% statewide.** This represents an average of \$850 in annual savings for Georgians shopping on the Exchange.
- **Rural communities have seen the greatest impact.** In rural counties where premiums are highest, premiums have been reduced from 25% to >30%. This is because the coinsurance rates are higher in rural Geographic Rating Areas.
- **More carriers and more competition.** In 2019, Georgia had only four insurance carriers offering plans on the individual marketplace. For 2022 there were eleven. For 2024, there will be nine.
- **Consumers have more choices.** In 2019, only 26% of Georgia's counties had more than one carrier offering insurance on the individual market. Now, 98% of all counties have more than one carrier, which means dramatically greater access in rural and underserved areas of the state. Most counties have more than five. Only three counties remain with a single carrier.
- **Reduced premiums and expanded choice have led to increased enrollment.** In 2019, only 373,049 Georgians were enrolled in individual market commercial plans. As of July 2023, there are currently 945,229 enrollees in the individual market (921,148 enrolled on-exchange and 24,081 off-exchange). The market has grown a total 21% from January to July 2023, for an average monthly growth of 3.25%.
- **More consumers have coverage.** Since 2021, the uninsured rate dropped from 13% to 11%.

County Coverage – PY 2018 through PY 2023

The graphic below depicts the evolution of carrier coverage since the waiver was submitted in 2019.

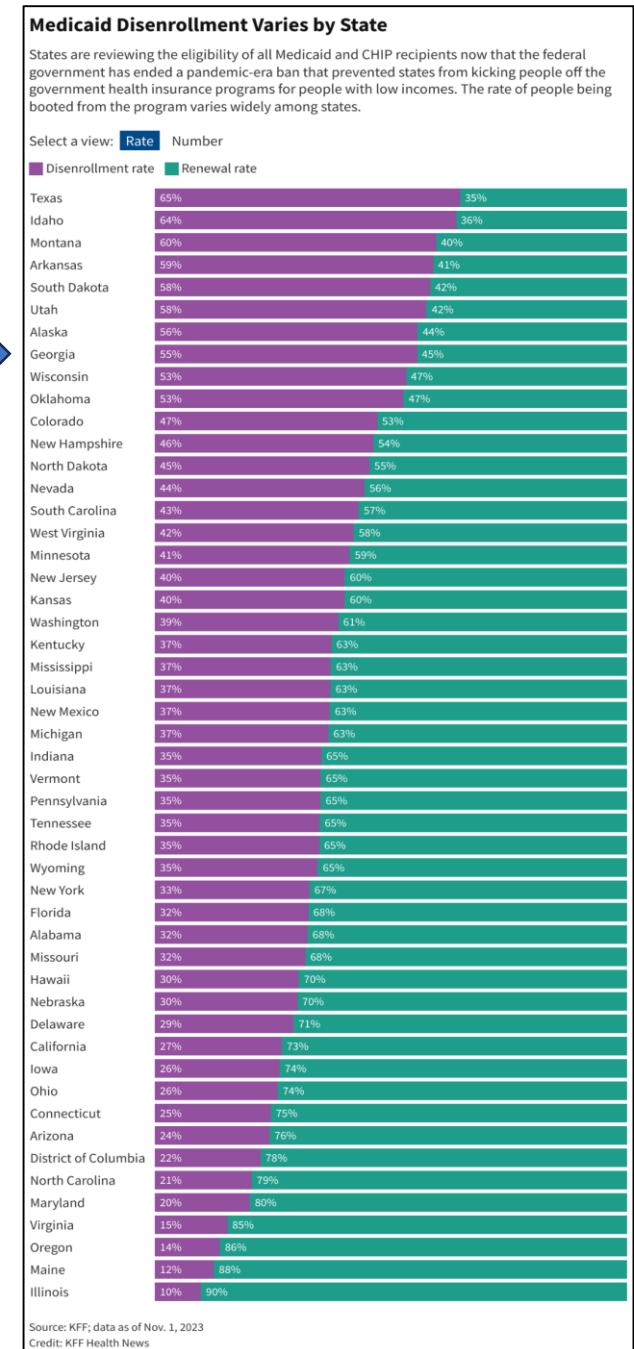


On the Horizon

- Program Parameter Changes:
 - Increased Attachment Point to \$30,000 to address program growth in PY 24.
 - Current reinsurance per member per month (PMPM) cost is \$40.97, which is lower than the \$41.60 observed in July of 2022.
- Halfway House – PY 2024 SBE-FP
- Transition to full SBE in PY 2025.
- Based on 2022 data, 826,000 uninsured Georgians were eligible for Exchange coverage. Estimated that this figure is closer to 580,000 as of August 2023.
- Marketplace Stability Issues
 - Risk-Adjustment & Carrier Insolvency
 - **Reinsurance Funding**
- Medicaid Redetermination

Medicaid Redetermination Trends

- Georgia began the process of “unwinding” the PHE Medicaid eligibility MOE provisions in April 2023.
- More than 10 million have been disenrolled nationally as of Nov. 1
- The state elected for a 14-month redetermination window.
- As of July, 45,000 have transitioned from Medicaid to a Marketplace Plan.
 - Nearly all of these individuals will receive an PTC premium subsidy
- 20,000 are pending eligibility determination for Georgia Pathways.
 - 40% of applicants have thus far met eligibility criteria.





- Thank you!
- For more information visit:

<https://georgiaaccess.gov/>

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