Georgia Section 1332 Waiver Application

Posted November 4, 2019

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-phased approach to address the growing healthcare access and affordability challenges facing many residents across the State. The first phase seeks to implement a reinsurance program starting in Plan Year (PY) 2021. The second phase seeks to transition the State's individual market to the Georgia Access Model starting in PY 2022. 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 for PYs 2021 – 2025 and the Georgia Access Model for PYs 2022 – 2025.

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. Total enrollment on the FFE among residents has declined annually since 2016.[1] As it is operating today in the State, the individual marketplace 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] 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.

Georgia has 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. Georgia is anticipating that given the current trajectory, average premiums will continue to rise 4.9% annually.

A variety of factors can drive high insurance premiums, such as lack of competition in the market and high provider service costs; both are challenges present in Georgia. In PY 2019, only four carriers operate in the individual market across the State. The majority of carriers operate in more densely populated urban areas, keeping premiums relatively more affordable in those areas,

[1] CMS Marketplace Reports, 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

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 opt to remain uninsured rather than purchase through the FFE, despite many qualifying for subsidies. In addition, enrollment continues to decline. The total number of consumers selecting a plan through the FFE in Georgia has decreased 22.0% since PY 2016. Even among individuals between 100 and 150% of the Federal Poverty Level (FPL) who are eligible for the largest federal subsidies, effectively making premiums for bronze plans free for many consumers, participation has 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 who need coverage the most. Unless Georgia can address rising premiums, the State believes that affordable coverage will become even more unattainable for more Georgians than it is today.

Innovative Solutions Proposed in this Section 1332 Waiver

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

Phase I: Reinsurance Program

The first phase 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 2021 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, resulting in a reduction in the overall Advanced Premium Tax Credit (APTC) and Premium Tax Credit (PTC) that 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). Through this waiver request, Georgia requests federal pass through funds to be used in combination with state funding to finance the reinsurance program. Total

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

funding for Georgia's reinsurance program for PY 2021 is estimated to be approximately $368 million, with $264 million from federal pass through dollars and $104 million from the State General Fund.

The reinsurance program is projected to decrease average premiums by 10.0% statewide for PY 2021, resulting in savings for thousands of Georgians buying 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 2021. 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 and therefore the projected increase in enrollment is projected 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 2021, 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 1: Projected Impact of Georgia's Reinsurance Program on PY 2021 Premiums, Enrollment, and Federal Savings

	Projected Statewide Premium Impact	Projected Impact on Individual Market Enrollment	Projected Federal Savings Due to Premium Reduction
Impact of Reinsurance Program	-10.0%	+0.4%	$264M

Phase II: Georgia Access Model

In Phase II, starting in PY 2022, the State seeks to waive the requirement for an exchange and 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. Georgia requests a four-year waiver of PPACA Title I, Subtitle D, Part II Sections 1301(a), 1311, 1402 and IRC Section 36B effective PY 2022 in order to transition its individual market from the FFE to the Georgia Access Model. In the new model, the private sector provides the front-end consumer shopping experience and operations, with the State validating eligibility information and determining if an applicant is eligible for state-based subsidies in the individual health insurance market or Medicaid.

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 which are available to them today but sold through channels outside the FFE.

The goal of the Georgia Access Model is to spur innovation in the individual market while maintaining access to Qualified Health Plans (QHPs) and ensuring consumer protections for individuals with pre-existing conditions. The State will certify plans eligible for state subsidies. Under the waiver, the State will continue to certify metal level QHPs and Catastrophic Plans offered today through the FFE. In addition, the State will certify Eligible non-QHPs to provide residents with expanded access to affordable health care coverage options. Eligible non-QHPs may offer a more limited set of Essential Health Benefits (EHBs) but in order to be eligible for subsidies these plans must be in the single risk pool, maintain protections for those with pre-existing conditions, and not medically underwrite.

Starting in PY 2022, the first year of the Georgia Access Model, the State will implement a state subsidy structure for both QHPs and Eligible non-QHPs that is the same as the federal subsidy structure for individuals between 100% and 400% of the FPL. Georgia may seek to modify subsidies in future years based upon actuarial analysis, funding levels, and enrollment to better meet the needs of its residents. If the State decides to implement a modified subsidy structure in future years, it will provide CMS and the Treasury Department an updated subsidy structure, actuarial analysis, and description of how it meets the four guardrails for approval prior to implementation.

The Georgia Access Model is projected to increase enrollment in the individual market through improved customer service, outreach, and education provided by the private market and because of the availability of more product options. The model is projected to increase enrollment in the individual market by approximately 30,000 for PY 2022.

Phase I: Reinsurance

Section I: Program Overview

Georgia is seeking 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 2021 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 second lowest-cost silver plan, 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 at 4.9% annually as the pool of healthy individuals in the market continues to erode, further destabilizing the market and increasing the federal debt. 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 that have average premium rates nearly double the statewide average.

Georgia's reinsurance program 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, 4, 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 2021, 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 2. Actual reimbursement rates may vary slightly depending on total federal pass through dollars and state funding.

Table 2: Summary of Projected Attachment Point, Cap, and Coinsurance for PY 2021

Projected Attachment Point	Projected Cap	Projected 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 10.0% 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.

Total funding for the reinsurance program for PY 2021 is estimated to be $368 million. Through this waiver, Georgia requests that the estimated net APTC/PTC savings of $264 million to the federal government from the reduction in premiums be passed through to the State to partially fund the reinsurance program. The remaining $104 million 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, working in collaboration with the Georgia Office of Insurance and Safety Fire Commissioner.

Section II: Authorizing Legislation

The following two pieces of legislation grant the State of Georgia authority to submit and implement the reinsurance program described 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* 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.*

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 A: 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,* 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 A: 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 second lowest-cost silver plan, resulting in 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). Georgia will use these funds, along with the State General Fund, to finance its reinsurance program which is projected to decrease premiums 10.0% statewide in PY 2021.

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

Georgia's proposed reinsurance program meets the four guardrails as described below.

Table 3: Reinsurance Program Alignment to Guardrails

Guardrail	Impact of Reinsurance Program
Comprehensiveness	There will not be a change in the availability of QHPs and Catastrophic Plans and their required EHBs due to reinsurance.
Affordability	Premiums are projected to decrease by an average of 10.0% statewide with the reinsurance program, ranging from 4.8% – 25% depending on rating region.
Scope of Coverage	Enrollment is projected to increase by 0.4% due to the reinsurance program, attracting uninsured residents above 400% FPL.
Deficit Neutrality	A net federal savings of $264 million in APTC/PTC is projected in PY 2021 due to the reinsurance program which the State is requesting as pass through funding.

- **Comprehensiveness:** There is no projected 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. As indicated in Table 3, the program is projected to decrease premiums by 10.0% statewide for PY 2021, ranging from 4.8% to 25.0% depending on rating region. 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 projected to increase enrollment by 0.4% in PY 2021, 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 second lowest cost silver plan associated, is projected to reduce federal spending on APTC/PTC by $281 million (11.3%) in PY 2021 and $3.8 billion over a ten-year period. Lower premiums in the individual market will also result in a small reduction in revenues from the FFE user fee and health insurer tax. Combining these factors, Georgia requests pass through funds equal to $264 million for PY 2021 and $3.6 billion over a ten-year period.

Table 4: Projected Impact of the Reinsurance Program PYs 2021 – 2025 (Waiver Years 1 - 5)

With vs Without Waiver - Reinsurance Only	Year 1 (PY 2021)	Year 2 (PY 2022)	Year 3 (PY 2023)	Year 4 (PY 2024)	Year 5 (PY 2025)
Enrollment Change	1,504	1,794	1,876	1,926	1,971
Enrollment Change	0.4%	0.5%	0.5%	0.5%	0.5%
Premium Reduction	10.0%	10.2%	10.4%	10.6%	10.8%
Cost to State ($ Millions)	$104	$111	$119	$127	$136
Pass Through Funding ($ Millions)	$264	$283	$303	$323	$346

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 a 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.

Table 5. High-Level Implementation Timeline for the Reinsurance Program

End Date	Milestone
Section 1332 Waiver Application Process	
11/4/2019	Publish draft Section 1332 Waiver on state website and notify the public
11/4/2019	Begin public comment period
12/3/2019	Complete public hearings facilitated in six locations across the State
12/3/2019	End public comment period
12/20/2019	Submit final Section 1332 Waiver application to HHS and Treasury
3/31/2020	Target to receive approval from HHS and Treasury for Phase 1 of the waiver
Legal Authority and Governance	
3/27/2019	Establish appropriate state legal authority with signing of *Patients First Act*
4/25/2019	Establish Office of Health Strategy and Coordination authorized by HB 186
5/1/2020	File proposed rules as applicable
Staffing and Operations	
3/1/2020	Identify staffing and operational needs for the program
7/1/2020	Identify operational coordination required between the State and carriers
Funding	
4/1/2020	Project State Fiscal Year (SFY) 2021 requirements, budget, and funding sources
5/1/2020	Finalize budget for SFY 2021 based on CMS approval parameters
8/1/2020	Draft projected budget for SFY 2022
9/1/2020	Develop payment schedule to carriers based on CMS parameters
9/15/2020	Send HHS and Treasury final second lowest-cost silver plan rates
10/15/2020	Receive projections for federal pass through for PY 2021
4/1/2021	Receive federal pass through funding for PY 2021
Communication and Outreach	
6/1/2020	Develop communication strategy for impacted stakeholders
Year One Implementation	
11/1/2020	Begin open enrollment
1/1/2021	Begin PY 2021 with reinsured claims

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

Public Notice

On November 4, 2019 the State of Georgia opened the public comment period for this Section 1332 Waiver application and posted the notice of the opportunity to comment on the state website https://medicaid.georgia.gov/patientsfirst. On [insert date], [insert state agency name] sent notice via [insert delivery method] to a list of [insert number] interested parties and stakeholders. The notice is included in Appendix D: Notice for Public Comment Period.

Public Comment Process

The State of Georgia held six public hearings across the State on this 1332 Waiver application.

- On November 7, 2019 the State of Georgia held a public hearing in Savannah, GA at 1:00PM at Hoskins Center for Biomedical Research, Mercer Auditorium. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 13, 2019 the State of Georgia held a public hearing in Macon, GA at 1:00PM at Mercer University School of Medicine, Auditorium. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 14, 2019 the State of Georgia held a public hearing in Bainbridge, GA at 1:00PM at Southern Regional Technical College, The Charles H. Kirbo Regional Center Dining Room. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 18, 2019 the State of Georgia held a public hearing in Gainesville, GA at 1:00PM at the Gainesville Civic Center, Chattahoochee Room. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 21, 2019 the State of Georgia held a public hearing in Rome, GA at 1:00PM at West-Rome Baptist Church, The Well Building. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 22, 2019 the State of Georgia held a public hearing in Kennesaw, GA at 1:00PM at the North Cobb Regional Library, Multi-purpose Room. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.

Major points of discussion included: [To be added].

The State of Georgia does not have any Federally recognized Indian tribes within its borders, and thus, has not established a separate process for meaningful 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.

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

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 border 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 Phase 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 reinsurance program in accordance with accepted government accounting practices, as well as reporting and auditing procedures.

The Office of Insurance and Safety Fire Commissioner will continue to be responsible for regulating and ensuring compliance of licensed carriers; monitoring the solvency of all issuers; performing market conduct analysis, examinations, and investigations; and providing consumer protection services. In addition, the Office of Insurance and Safety Fire Commissioner 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
- Periodically evaluate 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 Internal Revenue Service (IRS) operations and will not impact how APTC/PTC payments are calculated or paid.

Phase 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 to waive PPACA Title I, Subtitle D, Part II Sections 1301(a), 1311, 1402 and IRC Section 36B to transition its individual market from the FFE to the Georgia Access Model with state-based subsidies for PYs 2022 – 2025.

Without this waiver, Georgia anticipates that healthcare coverage will continue to decline across the State. The total number of consumers selecting 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 across the State, without the State taking action 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 the Office of Health Strategy and Coordination, working in coordination across state agencies including the Office of Insurance and Safety Fire Commissioner, Department of Community Health, and Department of Revenue. 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 establish standards, determine subsidy eligibility, and issue subsidies. Funding for the program will be provided by both federal pass through dollars and the State General Fund.

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 while still receiving state subsidies, 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 able to participate. The State will be responsible for ongoing program management and compliance of participating private sector entities.

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. The new enrollment mechanism 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 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 facilitate 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 high-quality localized outreach, plan/product selection and enrollment assistance, as well as high quality customer service to attract uninsured individuals into the market. Web-brokers are typically paid on commission for enrollment, thus creating strong market incentives to provide education and outreach to drive enrollment and reduce the number of uninsured, without cost to the State. 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. Local brokers will be able to discuss plan options with residents, and if asked, help navigate web-broker or carrier websites.

Georgia recognizes that moving from the FFE to the Georgia Access Model will require a detailed transition strategy, including thoughtful and clear communication for consumers and the public. 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 in coverage for current individual market consumers.

Program Design – Plan Certification

The State will be responsible for setting standards and certifying individual plans sold within the State which are eligible for state subsidies. The State intends to increase access to affordable health care coverage options while maintaining access to QHPs and ensuring consumer protections for individuals with pre-existing conditions.

The goal is to spur innovation while not eroding the availability and affordability of QHPs. The State will certify metal level QHPs and Catastrophic Plans offered today in the individual market. Under this waiver, these QHPs and Catastrophic Plans will continue to look exactly the same as they do today.

In addition, the State will certify Eligible non-QHPs which offer a more limited set of EHBs in order to provide residents with expanded access to affordable health care coverage options. Eligible non-QHPs must be in the single risk pool, maintain protections for those with pre-existing conditions, and may not medically underwrite in order to be eligible for state subsidies. The State will work closely with carriers, relevant state agencies, and key stakeholders to

develop the appropriate tools and templates, establish clear instructions and data requirements, and provide adequate review and timelines for plan submission, review, and certification.

Program Design – State Subsidies

The State will develop state subsidy policies, processes, and the infrastructure to support administration, including technology solutions. Subsidies will be available for individuals selecting metal level QHPs and Eligible non-QHPs. Georgia will issue subsidies on behalf of eligible individuals directly to carriers using a similar process and mechanism established by the federal government today.

Starting in PY 2022, the first year of the Georgia Access Model, the State will implement a state subsidy structure for both QHPs and Eligible non-QHPs that is the same as the federal subsidy structure for individuals between 100% and 400% of the FPL. Georgia may seek to modify subsidies in future years based upon actuarial analysis, funding levels, and enrollment to better meet the needs of its residents. If the State decides to implement a modified subsidy structure in future years, it will provide CMS and the Treasury Department an updated subsidy structure, actuarial analysis, and description of how it meets the four guardrails for approval prior to implementation. The actuarial modeling in this waiver application assumes the State will continue to implement a subsidy structure that mirrors the federal subsidy structure for PYs 2022 – 2025.

By implementing a state subsidy, 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 subsidy calculation at the time of open 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 assesses for Modified Adjusted Gross Income (MAGI) Medicaid. 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 the case with the FFE.

The State will supplement federal pass through dollars in order to provide assistance to more eligible consumers than are currently purchasing coverage on the FFE. However, the State will implement a program budget cap to ensure responsible financial stewardship regarding State funds. The State's total 1332 program cap is projected to be $255 million in state funds for PY 2022 and will be adjusted on an annual basis in subsequent years. The funding cap will cover state funding for both the reinsurance program and state subsidies under Access Georgia. The State is projecting an enrollment increase of approximately 30,000 individuals under the new model for FY 2022, of which, 53% are projected to be eligible for subsidies.

If a larger number of subsidy eligible residents enroll than projected, the State will grant subsidies on a first in, first out basis until the funding cap is reached. Additional enrollees will still be able to enroll in plans and will be placed on a wait list, should additional State funding become available. The State anticipates that the cap will have minimal impact on consumers currently buying in the individual market as those consumers have market familiarity and will benefit from the opportunity for auto-reenrollment.

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 state subsidies. 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. The Georgia Access Model will improve the customer experience and affordable choices available to attract uninsured residents in to the market. Georgia residents will be able to go to web-brokers to view the full range of insurance products available to them that are licensed and in good standing with the State. Consumers also will be able to view the premium and out-of-pocket costs with applied state subsidies prior to selecting a plan, as is the case with the FFE.

Table 6: Summary of Projected Impact on Enrollment for PY 2022 with the Reinsurance Program and Georgia Access Model

PY 2022 Projected Enrollment Impact	Enrollment Increase	Percent Increase
Reinsurance*	1,819	0.5%
Georgia Access - Subsidy Eligible Enrollees	16,000	4.1%
Georgia Access - Non-Subsidy Eligible Enrollees (Excluding Catastrophic)	14,000	3.6%
Georgia Access - Non-Subsidy Eligible Enrollees (Catastrophic Plans)	625	0.2%
Total**	**32,444**	**8.4%**

*Projection slightly higher from Table 4 due to average premium reduction with increased enrollment with the Georgia Access Model
**Totals may not equal sum of parts due to rounding

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.*

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 A: 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 A: 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 a series of provisions under both PPACA and the Internal Revenue Code (IRC). To fully implement this innovative consumer-centric model, it will be necessary to remove barriers that would prevent the operation of the Georgia Access Model within the State, the sale of non-QHPs alongside QHPs, and the creation of a state-specific subsidy structure. With these changes, Georgia will still be in full compliance with non-waivable sections of PPACA.

Georgia requests a waiver of Section 1311 which requires states to either operate a state-based exchange or participate in the FFE. In waiving 1311 in its entirety, Georgia will have the flexibility to determine the operations to support the Georgia Access Model, being relieved of the requirements of specific sections, such as 1311 (d)(2)(b)(1) which prohibit the availability of plans that are not QHPs. By waiving this section, Georgia can collaborate with private sector entities to develop the Georgia Access Model where the private sector delivers front-end services to consumers and the State determines eligibility and calculates and issues state-based subsidies.

Georgia seeks to waive Section 1402 (Reduced Cost-Sharing for Individuals Enrolling in a QHP) of PPACA and Section 36b of the IRC, in their entirety, to create a state subsidy program funded with federal pass through dollars and state funds.

Georgia is seeking to waive PPACA Section 1301(a) (Qualified Health Plan Defined) to allow non-QHPs to be sold through the participating private entities in the Georgia Access Model. Georgia is seeking to implement a more flexible program that will enable consumers to shop for and purchase coverage that meets their needs through the vehicle that is most convenient for them. The State will be responsible for setting standards and certifying plans eligible for subsidies. The Georgia Access Model has no impact on the other provisions of PPACA requiring basic consumer protections, such as those for individual with pre-existing conditions.

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

The Georgia Access Model meets the four guardrails as described below.

Table 7: Georgia Access Model Compliance with 1332 Guardrails

Guardrail	Impact of Georgia Access Model
Comprehensiveness	There will not be a change to access to metal level QHPs and Catastrophic Plans as defined by Section 1302. Consumers will have increased access to individual products licensed and in good standing within the State.
Affordability	The new model will make health care coverage more affordable for residents in Georgia. For those who are currently buying on the FFE under the waiver, state subsidies will maintain the same subsidy structure as the federal structure starting in PY 2022, keeping QHPs as affordable as they are absent the waiver. Subsidies will be available for QHPs and Eligible non-QHPs, attracting the uninsured into the market. The availability of Eligible non-QHPs in the Georgia Access Model will expand affordable options, particularly for consumers above 400% of the FPL and attract the currently uninsured into the market, reversing the negative enrollment trends experienced in Georgia since 2016.
Scope of Coverage	Enrollment in the individual market is projected to increase 7.9% in PY 2022 due to the Georgia Access Model only. Enrollment is projected to increase a total 8.4% for PY 2022 compared to without the waiver due to the combined impact of the Georgia Access Model and the reinsurance program.
Deficit Neutrality	Net federal spend is projected to decrease by $2.6 billion in PY 2022 and $29.5 billion over the ten-year period for the combined reinsurance program and the 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 assuming the responsibility for plan certification, the State has the flexibility to certify additional types of coverage options eligible for state subsidies to meet the future needs of Georgians. In addition, consumers will have increased access

through the Georgia Access Model to view other types of health insurance licensed and in good standing with the State to meet their unique healthcare needs, such as: Eligible non-QHPs that offer a more limited set of EHBs, accident supplemental plans, critical illness plans, limited-benefit plans, short-term limited duration plans, vision, and dental.

- **Affordability:** The Georgia Access Model is expected to increase the affordability of healthcare coverage as residents will be able to view and select from a greater range of available products. Starting in PY 2022, the State will implement a subsidy rate structure for QHPs and Eligible non-QHPs that is the same as the federal subsidy structure for individuals between 100% and 400% of the FPL, keeping access and affordability for metal level plans comparable to without the waiver. If the State decides to implement a modified subsidy structure in future years, it will provide CMS and the Treasury Department an updated subsidy structure, actuarial analysis, and description of how it meets the four guardrails for approval prior to implementation. The availability of Eligible non-QHPs in Georgia Access will expand affordable options, particularly for consumers above 400% FPL and attract the currently uninsured into the market, reversing the negative enrollment trends experienced in Georgia since 2016. The premiums for Eligible non-QHPs are expected to be 10% less than full QHPs. Eligible non-QHPs may offer a more limited set of EHBs but must be in single risk pool, maintain pre-existing conditions protections, cannot medically underwrite, and must be a major medical health plan. The availability of Eligible non-QHPs is projected to increase premiums for plans covering all ten EHBs by 1.1% for members not receiving a subsidy. Taking this impact into account and combined with the reinsurance program, affordability is estimated to improve for members not receiving a subsidy and to be unchanged for members receiving a subsidy absent the waiver.
- **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. Enrollment in the individual market is projected to increase by 7.9% due to the Georgia Access Model in PY 2022 attracting roughly 30,000 individuals to the individual market who are currently uninsured, 53% of whom are estimated to be eligible for state subsidies.
- **Federal Budget Deficit:** 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 by $2.6 billion starting in PY 2022 and $29.5 billion over ten years. The implementation of the reinsurance program under Phase One will generate savings for the federal government which is requested as pass through to fund the State's reinsurance program. The transition to the Georgia Access Model in Phase Two will result in additional savings which is requested as pass through to fund state-based subsidies. 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 8: Projected Impact of the 1332 Waiver with Reinsurance Program PYs 2021 – 2025 and Georgia Access Model PYs 2022 – 2025 (Waiver Years 1 – 5)

With Waiver vs Without Waiver Comparison for each Year, including Reinsurance and Georgia Access	Year 1 (PY 2021)	Year 2 (PY 2022)	Year 3 (PY 2023)	Year 4 (PY 2024)	Year 5 (PY 2025)
Enrollment Growth	1,504	32,444	32,550	32,611	32,667
Enrollment Change (%)	0.4%	8.4%	8.4%	8.4%	8.4%
Premium Reduction	10.0%	11.3%	11.5%	11.7%	11.9%
State User Fees ($ Millions)	-	$107	$112	$117	$122
Cost to State ($ Millions)	$104	$149	$145	$155	$165
Net Pass Through Funding ($ Millions)	$264	$2,623	$2,761	$2,907	$3,060

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. This model will foster innovation for consumer enrollment and the types of health plans that carriers offer (e.g., Eligible non-QHPs).
- **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 state subsidies, 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 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.

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

Table 9. High-Level Implementation Timeline for Georgia Access Model

End Date	Milestone
Section 1332 Waiver Application Process	
11/4/2019	Publish draft Section 1332 Waiver on state website and notify the public
11/4/2019	Begin public comment period
12/3/2019	Complete public hearings facilitated in six locations across the State
12/3/2019	End public comment period
12/20/2019	Submit final Section 1332 Waiver application to HHS and Treasury

End Date	Milestone
3/31/2020	Target to receive approval from HHS and Treasury for Phase 2
Legal Authority and Governance	
3/27/2019	Establish appropriate state legal authority with signing of *Patients First Act*
4/25/2019	Establish Office of Health Strategy and Coordination authorized by HB 186
5/1/2020	Establish governance structure to support implementation
9/1/2020	File proposed rules as applicable
Design	
9/1/2020	Finalize program policies
Plan Certification	
10/1/2020	Establish carrier certification criteria and standards
11/1/2020	Publish standards and issuer methods of submission
11/1/2020	Establish carrier review and approval timeline
3/1/2021	Certify carriers for PY 2022
Information Technology (IT)	
4/1/2020	Develop initial IT implementation roadmap
6/12/2020	Complete requirements validation
9/4/2020	Complete system detailed design
1/22/2021	Complete system development
9/17/2021	Complete system integration and user testing
10/22/2021	Complete system implementation
11/1/2021	System go-live
Staffing and Operations	
7/1/2020	Identify staffing and operational needs for the program
7/1/2020	Define vendor requirements
9/1/2020	Define operational coordination needs and communication policies with issuers and vendors
Funding	
3/1/2019	Project SFY 2021 funding requirements, budget, and funding sources
5/1/2020	Finalize budget request for SFY 2021, based on CMS approval parameters
8/1/2020	Draft projected budget for SFY 2022
3/1/2021	Develop payment schedule to issuers based on parameters provided by CMS
8/1/2021	Draft projected budget for SFY 2023
9/15/2021	Send HHS and Treasury final second lowest cost silver plan rates
10/15/2021	Receive projections for federal pass through funding for PY 2022
4/1/2022	Receive federal pass through funding for PY 2022
Communication and Outreach	
9/1/2020	Develop communication plan for impacted stakeholders
Year One Implementation	
11/1/2021	Open enrollment begins
12/15/2021	Being issuing premium assistance payments for eligible consumers
1/1/2022	Health coverage effectuated for PY 2022

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

Public Notice

On November 4, 2019 the State of Georgia opened the public comment period for this Section 1332 Waiver application and posted the notice of the opportunity to comment on the state website https://medicaid.georgia.gov/patientsfirst. On [insert date], [insert state agency name] sent notice via [insert delivery method] to a list of [insert number] interested parties and stakeholders. The notice is included in Appendix D: Notice for Public Comment Period.

Public Comment Process

The State of Georgia held six public hearings across the State on this 1332 Waiver application.

- On November 7, 2019 the State of Georgia held a public hearing in Savannah, GA at 1:00PM at Hoskins Center for Biomedical Research, Mercer Auditorium. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 13, 2019 the State of Georgia held a public hearing in Macon, GA at 1:00PM at Mercer University School of Medicine, Auditorium. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 14, 2019 the State of Georgia held a public hearing in Bainbridge, GA at 1:00PM at Southern Regional Technical College, The Charles H. Kirbo Regional Center Dining Room. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 18, 2019 the State of Georgia held a public hearing in Gainesville, GA at 1:00PM at the Gainesville Civic Center, Chattahoochee Room. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 21, 2019 the State of Georgia held a public hearing in Rome, GA at 1:00PM at West-Rome Baptist Church, The Well Building. At the public hearing, [insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.
- On November 22, 2019 the State of Georgia held a public hearing in Kennesaw, GA at 1:00PM at the North Cobb Regional Library, Multi-purpose Room. At the public hearing,

[insert number] member(s) of the public attended, including [insert a list of organizations and individuals in attendance]. In addition [insert number] members(s) of the public testified. A record of the testimony is included in Appendix E: Records of Public Testimony.

Major points of discussion included: [To be added].

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

Section IX: Additional Information

Administrative Burden for Individuals, Issuers, or Employers

The Georgia Access Model will not cause any 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.

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.

For information on state and federal responsibilities and administrative burden, see Phase 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.

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 Phase 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.

The State will administer the eligibility calculation and financial management of subsidies under the Georgia Access Model. The State will establish the appropriate internal controls to safeguard public funds, including ensuring subsidy payments are only made on behalf of those deemed eligible for the program.

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.

The Office of Insurance and Safety Fire Commissioner 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 all issuers; performing market conduct analysis, rate setting, examinations, and investigations; and providing consumer protection services.

The federal government will be responsible for calculating the APTC/PTC savings and pass through funding from this waiver and for 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
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Waiver of Sections 1301(a), 1311, 1402, and IRC 36 (b) to implement the Georgia Access Model will result in additional administrative responsibility for the State of Georgia, including plan certification, subsidy calculation and management, 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 the Office of Insurance and Safety Fire Commissioner. 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 Georgia Access Model will relieve the federal government of the marketplace-related administrative burden it bears today. The federal government will continue to host and operate the Federal Data Services Hub (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. Waiving Section 36b would necessitate changes to IRS operations in that the agency would calculate and facilitate the transfer of APTC/PTC pass through funds to the State rather than paying carriers directly; however, given personnel and processes are already in place to calculate and disburse funds, 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 10: Responsibilities by Entity in Georgia Access Model

	Carriers	Web Brokers	Individual Brokers	State	Federal
Plan Certification				X	
Web-broker Licensing				X	
Plan Shopping and Selection	X	X	X		
Customer Education and Outreach	X	X	X		
Customer Service	X	X	X		
Plan Enrollment	X				
Subsidy Eligibility Calculation				X	
Subsidy Payment Disbursement				X	
Premium Aggregation	X				
APTC Pass Through Funding Calculation and Disbursement					X
Call Center Operations	X	X			
Complaint Line				X	
Subsidy Appeals				X	
Verification of citizenship, residency, and identity				X (FDSH interface)	

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 B: Actuarial and Economic Analysis

State of Georgia
Section 1332 Waiver, 2021-2025
Actuarial and Economic Analysis

October 28, 2019

Table of Contents

State of Georgia 1332 Waiver Background

To promote stability of the individual market, the State of Georgia ("Georgia" or "GA") is submitting a Section 1332 State Innovation Waiver ("1332 waiver" or "waiver"). The waiver is designed to reduce premiums, increase coverage, and promote a more competitive private insurance marketplace through the introduction of a statewide reinsurance program beginning in Plan Year (PY) 2021 and the Georgia Access Model beginning in PY 2022.

The Georgia Access Model includes elements of the "Adjusted Plan Options" waiver concept described in the Centers for Medicare & Medicaid Services (CMS) Discussion Paper "Section 1332 State Relief and Empowerment Waiver Concepts" dated November 29, 2018. 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 private web-brokers, including Qualified Health Plans (QHPs) and Catastrophic Plans offered on the Federally Facilitated Exchange (FFE) today. State subsidies will only be available for QHPs and Eligible non-QHPs. As defined in the waiver application, Eligible non-QHPs may offer a more limited set of the ten Essential Health Benefits (EHBs) but must be in the single risk pool and maintain protections for those with pre-existing conditions.

The 1332 waiver will provide Georgia the flexibility to modify the reinsurance program parameters and subsidy structure in future years. The State has decided to implement a state subsidy structure that mirrors the federal subsidy rates for PY 2022 for QHPs and Eligible non-QHPs. For purposes of the actuarial analysis, it is assumed that the State will continue to mirror the federal structure starting in PY 2022 through the duration of the waiver. As described in detail in the waiver application, Georgia intends to cap state-funded program expenditures for the 1332 waiver beyond federal pass through dollars for both the reinsurance program and state subsidies. The state-funded program cap is projected to be at $255M for PY 2022, funded in part with a state user fee previously assessed as part of the FFE. The $255M is equal to the estimated PY 2022 state funding requirement using the methodology and assumptions described in this analysis.

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:"

1. 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;

2. 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;

3. 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;

4. 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.

This analysis demonstrates compliance with the four guardrails and is consistent 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."

Section 1 – CMS Guardrails

High-level compliance with the guardrails over the five-year waiver and ten-year periods is summarized in Table 1, and further described below. Phase 1 refers to Calendar Year (CY) or PY 2021 (calendar years and plan years align), when just the reinsurance program is in effect. Phase 2 refers to PYs 2022-2025, when the Georgia Access Model is in effect in addition to the reinsurance program. Ten-year estimates assume a continuation of both the reinsurance program and the Georgia Access Model through PY 2030. For more detail regarding the assumptions related to increased coverage and estimated enrollment impact assumptions, please refer to Appendix I.

Table 1: High-level guardrail compliance of 1332 Waiver Reinsurance and Georgia Access Model

Guardrail	Estimated Effect of Waiver
Scope of Coverage	Enrollment in the individual market is projected to increase 0.4% in PY 2021 due to the reinsurance program and 7.9% in PY 2022 due to the Georgia Access Model only. Enrollment is projected to increase a total of 8.4% compared to without the waiver due to the combined impact of the Georgia Access Model and reinsurance in PY 2022.
Affordability	Premiums are projected to decrease by an average of 10% statewide due to the reinsurance program. Further, state subsidies will maintain the same subsidy structure as the federal subsidy structure for QHPs and eligible non-QHPs for PY 2022, keeping plans as affordable as without the waiver. The State may adjust the subsidy structure to make coverage more affordable for more Georgians in future years. The state will seek approval from CMS and Treasury for such a change.
Comprehensiveness	There will not be a change to access to metal level QHPs and Catastrophic Plans as defined by Section 1302. Consumers will have increased access to individual products licensed and in good standing within the State.
Deficit Neutrality	Net federal spend is projected to decrease by $264 million in PY 2021, $2.6 billion in PY 2022, and $29.5 billion over the ten-year period for the combined reinsurance program and Georgia Access.

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."

As described in Table 1, and in greater detail in Section 4, individual market health insurance coverage is estimated to increase compared to coverage in the baseline Without Waiver scenario. This increase is due to migration from the uninsured. No coverage changes due to the waiver are estimated in other forms of public and private coverage.

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."

The waiver has no impact on the comprehensiveness of available coverage, compared to the baseline Without Waiver scenario. Under the Georgia Access Model, the only plan types that will be available for state subsidies will be QHPs and Eligible non-QHPs. While insurers will be able to offer Eligible non-QHPs that do not cover all ten EHBs while maintaining consumer protections such as the exclusion of pre-existing conditions, we assume insurers will continue to offer QHPs that cover all ten EHBs. Under this assumption, the waiver does not change the availability of QHPs and does not change

requirements related to member cost-sharing provisions (deductibles, copayments, etc.) of currently available coverage. Accordingly, no change in comprehensiveness of available coverage is anticipated for Georgians by income, level of health expenses, health insurance status, and age group, compared to the baseline Without Waiver scenario.

Due to the reinsurance program, available coverage will be more affordable for members not receiving a subsidy and will not change or will decrease for those receiving a state subsidy. Premiums are estimated to decrease statewide by approximately 10% compared to the baseline Without Waiver scenario. As described in Section 3, higher premium reductions are estimated in rating areas with higher premiums, and lower premium reductions are estimated in rating areas with lower premiums. The availability of Eligible non-QHPs in Georgia Access is modeled to increase premiums for plans covering all ten EHBs by 1.1% for members not receiving a subsidy, partially offsetting the decrease due to reinsurance. Taking these two premium impacts together, affordability is estimated to improve for members not receiving a subsidy, and to be unchanged for members receiving a subsidy. Estimated changes in affordability of coverage (premium levels) are described further in Sections 4 and 6.

The waiver would also provide Georgia the flexibility to modify the premium subsidy structure in future years with approval from CMS and Treasury that it continues to meet the four guardrails. We understand Georgia intends to implement a subsidy structure that is the same as the federal subsidy structure for individuals between 100% and 400% of the FPL for QHPs and Eligible non-QHPs for the first year of the Georgia Access Model (PY 2022). Georgia may, with approval from CMS and Treasury, modify subsidies in future years based upon actuarial analysis, funding levels, and enrollment to better meet the needs of its residents. The actuarial modeling in the waiver assumes the State will continue to implement a subsidy structure that aligns with the federal subsidy structure for PYs 2022 – 2025.

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 ten-year budget period."

In Phase 1, for PY 2021, when only the reinsurance program will be in effect, net federal spending is estimated to decrease by approximately $0.3 billion. As described further in Section 6, the components of this decrease include the following spending impacts, as compared to the baseline Without Waiver scenario:

- Reduction in Advanced Premium Tax Credit (APTC) spending due to lower premiums, resulting from the reinsurance program
- Net reduction in Health Insurance Providers Fee (HIF) collections, including
    - a reduction due to lower premiums
    - a smaller increase in collections due to increased enrollment in the market
- Net reduction in Federally Facilitated Exchange (FFE) user fee collections, for the same two reasons as for the HIF collections

Note that the first item reduces federal spending, and the other two items offset a portion of this reduction.

In Phase 2, beginning in PY 2022, when both the reinsurance and the Georgia Access Model programs will be in effect, net federal spending is estimated to decrease by approximately $2.6 – $3.9 billion annually. As described further in Section 6, the components of this decrease, compared to the Without Waiver scenario, include:

- Elimination of federal APTC spending
- Net reduction of HIF collections
- Elimination of FFE user fees, offset by an elimination of FFE operating expense supporting the Georgia market

Note that the first item reduces federal spending, the second item offsets a portion of this reduction, and the third item has no net impact on federal spending.

As described above, and in more detail in Section 6, the waiver is estimated to decrease federal spending, and thus not increase the federal deficit, in each year of the five-year waiver and ten-year periods. Aggregate estimates for these five-year and ten-year periods are shown in Table 2. Estimates for each individual year are shown in Appendix I, Table 6.

We understand Georgia is requesting annual pass through funding equal to the decrease in federal spending.

Table 2: 5-year and 10-year Deficit Impact (in $ millions)

Category of Impact	5-Year Estimates	10-Year Estimates
Baseline Without Waiver		
Federal Expenses		
(a) Total Subsidies	$13,856	$31,757
(b) Total FFE User Fees	$582	$1,322
Federal Revenues		
(c) Total FFE User Fees	$582	$1,322
(d) Total HIF	$384	$873
With Waiver		
Federal Expenses		
(e) Total Subsidies [I]	$2,212	$2,212
(f) FFE Expense Funded by User Fees [II]	$106	$106
Federal Revenues		
(g) Total FFE User Fees	$95	$95
(h) Total HIF	$365	$829
Comparison [III]		
(I) Total Subsidy Reduction (a - e)	$11,644	$29,545
(j) Total FFE User Fees Reduction (g - f) - (c - b)	($10)	($10)
(k) Total HIF Reduction (h - d)	($20)	($44)
(l) Estimated Net Federal Savings (i+j+k)	**$11,614**	**$29,491**

[I] When Phase 2 comes into effect in PY 2022, the Federal Government will no longer be responsible for subsidy payments

[II] When Phase 2 comes into effect in PY 2022, the Federal Government will no longer collect FFE User Fees, however, they will also no longer incur any expenses on the FFE for GA plans

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

Section 2 – Baseline Without Waiver Estimates

According to 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."

As described in Section 1, no change in comprehensiveness of availability of coverage is anticipated under the waiver. Baseline Without Waiver estimated enrollment (coverage) and premiums (affordability) are shown in Table 3 for PYs 2021 – 2025, alongside actuals for PY 2018. Ten-year projections are shown in Appendix I, Table 7. The data, methodology, and assumptions underlying these estimates are described in Sections 5 and 6. A comparison to the with waiver scenario is provided in Section 4.

Table 3: 2018 and 2021-2025 Baseline Without Waiver Average Enrollment and Premium Estimates

	PY 2018	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025
Enrollment						
On Exchange Subsidized	333,584	333,584	333,584	333,584	333,584	333,584
On Exchange Not Subsidized	33,978	32,279	32,279	32,279	32,279	32,279
Off Exchange Not Subsidized	22,029	20,928	20,928	20,928	20,928	20,928
Grandfathered	972	972	972	972	972	972
Total	**390,564**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**
Premium Per-Member-Per-Month (PMPM)						
On Exchange Subsidized	$626	$700	$734	$770	$808	$848
On Exchange Not Subsidized	$494	$553	$580	$608	$638	$670
Off Exchange Not Subsidized	$524	$586	$615	$645	$677	$710
Grandfathered	$292	$323	$339	$355	$373	$391
Total	**$608**	**$680**	**$714**	**$749**	**$786**	**$824**
Total Premium (In $ millions)[l]						
On Exchange Subsidized	$2,505	$2,801	$2,938	$3,083	$3,234	$3,393
On Exchange Not Subsidized	$202	$214	$225	$236	$247	$259
Off Exchange Not Subsidized	$139	$147	$154	$162	$170	$178
Grandfathered	$3	$4	$4	$4	$4	$5
Total	**$2,849**	**$3,166**	**$3,322**	**$3,485**	**$3,656**	**$3,835**

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

Section 3 – Reinsurance Parameters and Funding

The reinsurance program will reimburse insurers for a portion (coinsurance percentage) of member aggregated annual claims between a lower bound (attachment point) and an upper bound (reinsurance cap). For PY 2021, the State of Georgia intends to establish the following parameters:

- $20,000 attachment point
- $500,000 reinsurance cap
- 15%, 45%, and 80% coinsurance percentages, depending on the rating area tier, as shown in Table 4

An estimated 59.1% of PY 2021 claims will be between $20,000 and $500,000. The tiered coinsurance percentages described above 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. Also refer to Appendix III for more information on Georgia rating areas.

These reinsurance parameters are estimated to result in an approximate 10% average rate decrease, with the lowest rate decreases in Tier 1, and the highest rate decreases in Tier 3, as shown in Table 4.

Table 4: Tiered Coinsurance Rates and PY 2021 Premium Reductions

Tier	Rating Area	Coinsurance (%)	PY 2021 Estimated Premium Impact (%)
1	2, 3, 5, 8, 14	15%	-4.8%
2	1, 7, 9, 12, 16	45%	-14.1%
3	4, 6, 10, 11, 13, 15	80%	-25.0%

The 10% aggregate rate decrease, as well as the tiered rate decreases shown in Table 4, 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.

To achieve this conservatism, projected reimbursements to insurers include a conservative factor when developing estimated premiums in the With Waiver scenario. The included scenario calculated that premiums could be reduced up to 11.5% based on the analysis under the identified reinsurance parameters, but estimates a premium impact of 10% reduction incorporated by the insurers. This conservatism results in lower estimated rate decreases, and lower federal pass through funding. All estimates in this analysis use these conservative estimates.

Appendix II, Figure 1 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 2021, the reinsurance program will be funded by a combination of federal pass through and state funds. Appendix II, Tables 6 and 7 describe federal pass through funding and state funding required in each year.

Section 4 – Waiver Comparison to Baseline Without Waiver Scenario

Table 5 compares the With Waiver to baseline Without Waiver enrollment (coverage) and premiums (affordability). Table 5 includes estimates for PY 2021, the first year of the reinsurance program, and for PY 2022, the first year of the Georgia Access Model. Estimates for each year from PYs 2021 – 2030 are shown in Appendix II, Table 7.

Note, enrollment and premium changes due to the implementation of this waiver throughout this analysis is based on the same year's projection absent the waiver. PY 2021 is only impacted by reinsurance, while PYs 2022 – 2030 is the combined impact of reinsurance and the Georgia Access Model following the same federal subsidy structure.

Table 5: Comparison of With Waiver and Baseline Without Waiver PYs 2021 and 2022

	PY 2021 (Reinsurance Only)			PY 2022 (Reinsurance and Georgia Access)		
	Without Waiver	With Waiver	% Change	Without Waiver	With Waiver	% Change
Enrollment[I]						
On Exchange Subsidized	333,584	333,584	0.0%	333,584	349,584	4.8%
On Exchange Not Subsidized	32,279	33,048	2.4%	32,279	47,835	48.2%
Off Exchange[II] Not Subsidized	20,928	21,663	3.5%	20,928	21,816	4.2%
Grandfathered	972	972	0.0%	972	972	0.0%
Total	**387,764**	**389,268**	**0.4%**	**387,764**	**420,208**	**8.4%**
Premium PMPM						
On Exchange Subsidized	$700	$630	-10.0%	$734	$655	-10.8%
On Exchange Not Subsidized	$553	$511	-7.5%	$580	$525	-9.4%
Off Exchange Not Subsidized	$586	$517	-11.8%	$615	$539	-12.3%
Grandfathered	$323	$323	0.0%	$339	$339	0.0%
Total	**$680**	**$613**	**-9.96%**	**$714**	**$633**	**-11.3%**
Total Premium (In $millions)[III]						
On Exchange Subsidized	$2,801	$2,521	-10.0%	$2,938	$2,748	-6.5%
On Exchange Not Subsidized	$214	$203	-5.3%	$225	$301	34.2%
Off Exchange Not Subsidized	$147	$134	-8.7%	$154	$141	-8.6%
Grandfathered	$4	$4	0.0%	$4	$4	0.0%
Total	**$3,166**	**$2,862**	**-9.6%**	**$3,322**	**$3,194**	**-3.8%**

[I] Starting in 2022, both On Exchange and Off Exchange individuals will go through the Georgia Access Model
[II] People Off Exchange currently buy plans without utilizing the FFE, making them not eligible for subsidies. It is assumed that these individuals will continue to be ineligible for subsidies
[III] Totals may not equal sum of the parts due to rounding

As shown in Table 5, greater enrollment (coverage) increases are expected at higher income levels, including "On Exchange Not Subsidized" and "Off Exchange Not Subsidized" in Phase 1 and Phase 2, due to greater price sensitivity at higher income levels. These coverage increases are assumed to come from the currently uninsured. Detailed coverage estimates were not developed regarding changes in coverage levels by level of health expense or age group, however coverage is not expected to decrease for members at particular levels of health expense or age group. As described in Section 6, morbidity improvement was assumed in the With Waiver scenario to recognize the likelihood that members migrating from the uninsured due to the reinsurance program premium reductions are likely to have lower health expenses than average for their age.

The premium PMPM percentage changes shown in Table 5 vary by cohort. This variation is a result of the tiered coinsurance described in Section 3. The enrollment distribution between "On Exchange Subsidized," "On Exchange Not Subsidized," and "Off Exchange Not Subsidized" varies by rating area. The applicable coinsurance percentage also varies by rating area. There is a greater concentration of "Off Exchange Not Subsidized" in Phase 2 enrollment in rating areas with higher coinsurance percentages. Conversely, there is a greater concentration of "On Exchange Not Subsidized" enrollment in rating areas with lower coinsurance percentages.

As per the CMS Checklist, the following estimates are included for the baseline Without Waiver and With Waiver scenarios:

- Aggregate premiums and subsidies are shown in Appendix II, Table 7
- Second lowest-cost silver plan (SLCSP) premiums are shown in Appendix II Table 8
- Enrollment by share of federal poverty level (FPL), subsidy eligibility, and metal level are shown in Appendix II, Tables 10-13. The FPL distribution is derived from Georgia-specific data from the CMS public use files[1] and Tables 1.2 and 1.4 from the 2019 U.S. Treasury coverage tables.[2]

[1] CMS Public Use Files, 2017, available at: https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Geographic-Variation/GV_PUF.html
[2] Treasury Coverage Tables, 2019, available at: https://home.treasury.gov/system/files/131/Coverage-Tables-MSR2019.pdf

Section 5 – Data

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 the coverage, comprehensiveness, affordability, and deficit neutrality requirements. It documents the data sources used as well as the review of the data.

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 non-group and small group markets during these years. Generally, PY 2018 data was used to develop the estimates, as described in Section 6. Data was received from all four insurers 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 non-group market for PYs 2016 – 2018
- Enrollment, premium, and 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 non-group 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[3]
- Economic data/indicators from the U.S. Bureau of Labor Statistics (BLS)
- Department of Treasury April 2019 Coverage Tables[4]
- National Health Expenditure data from CMS
- Various studies on price elasticity in the non-group market[5][6][7]
- Summary of research on the premium impact due to the Short-Term, Limited Duration Coverage Final Rule[8]
- Report from Oliver Wyman on the Impact of the ACA's HIF in Year 2020 and Later[9]
- CMS 2018 and 2019 Public Use Files
- CMS 2018 and 2019 QHP Landscape Files

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 the Georgia

[3] Adverse Selection and an Individual Mandate: When Theory Meets Practice, 2015, available at: https://pubs.aeaweb.org/doi/pdfplus/10.1257/aer.20130758
[4] Treasury Coverage Tables, 2019, available at: https://home.treasury.gov/system/files/131/Coverage-Tables-MSR2019.pdf
[5] Worker Demand for Health Insurance in the non-Group Market, 1995, available at: https://www.sciencedirect.com/science/article/abs/pii/0167629694000353
[6] Subsidies and the Demand for Individual Health Insurance in California, 2004, available at: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1361083/
[7] Price and the Demand for nongroup Health Insurance, 2006, available at: https://www.ncbi.nlm.nih.gov/pubmed/17004642
[8] 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/
[9] 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

Office of Insurance and Safety Fire Commissioner as outlined in the previous section. We have 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:

- Compared the proportion of PY 2018 APTC enrollment versus total On Exchange enrollment against an outside Kaiser Family Foundation source[10]. Enrollment distribution matched within 0.7%
- Reviewed per member per month (PMPM) figures by various splits (metal level, rating area, exchange status, etc.)
- 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 and 16

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 is accurate and complete. If the underlying data or information provided is 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 has been 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 have been followed. It is believed that the State of Georgia enrollment and premium data used in the analysis is credible and are reasonable data sources to be used to develop the reinsurance program and Georgia Access Model for the State of Georgia's individual health insurance population.

[10] 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

Section 6 – Assumptions and Methodology

This section provides an overview of the actuarial assumptions and methodology used to estimate claims, premium, enrollment, subsidies (federal APTCs/state subsidies), and state and federal funding requirements over the ten-year period PYs 2021 – 2030 under both a baseline Without Waiver and With Waiver scenario. Consistent with the requirements of the CMS Checklist, this section specifically documents:

(1) The process used to determine the effect of the waiver on coverage, comprehensiveness, affordability, and deficit neutrality requirements
(2) All assumptions and methodology used to develop the estimates and growth of health care spending
(3) Assumptions used to develop the projected reimbursements, including the expected distribution of claims by claim size

6.1 - Baseline Without Waiver Estimates

This section describes the assumptions and methodology used to develop the baseline Without Waiver estimates described previously in Section 2 and shown in Tables 3 and 7 of this report.

Claims: PY 2018 actual total paid claims, membership, and average annual paid claims for the non-group market were summarized into a single continuance table from data received from the insurers (see Section 5). Claim costs for PYs 2021 – 2030 were estimated by trending average annual paid claims at an assumed annual rate of 5.1% based off national health expenditure data. 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.

Premiums: The PY 2018 actual non-group market premium PMPM was summarized by metal level, APTC eligibility, and exchange status from data received from the insurers (see Section 5). The premium PMPM and total shown in Table 3 was derived directly from this insurer data. Premiums for PYs 2021 – 2030, as shown in Tables 3 and 7, were estimated as follows:

- Trended the premium PMPMs from PY 2018 to PYs 2019 – 2020 at 2.73% 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[11] 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 2021 – 2030 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 2021 – 2030 NBE portion of premium
- Summed the claims and NBE portions of premium to develop the estimated premium PMPM for PYs 2021 – 2030

[11] 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/

SLCSP Premiums: SLCSP premiums for a non-smoker individual aged 21 were used as representative. The 2019 actual SLCSP premium was derived from the QHP Landscape Files (see Section 5). SLCSP premiums in PYs 2021 – 2030 were estimated in the same manner as premiums described above (as shown in Table 8 in the Appendix II).

Enrollment: The PY 2018 enrollment shown in Table 3 was summarized from the actual PY 2018 enrollment data received from the insurers (see Section 5). Enrollment in PYs 2021 – 2030 (as shown in Tables 3 and 7) was estimated as follows:

- Reduced unsubsidized (On Exchange Not Subsidized and Off Exchange Not Subsidized) 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 ten-year period.

APTC: The PY 2018 APTC PMPM and total was summarized from the actual PY 2018 APTC data received from the insurers (see Section 5). APTCs PMPM in PYs 2021 – 2030 (as shown in Tables 2 and 6) 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 – 2030 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.

FFE 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 (as shown in Tables 2, 6, and 7).

Health Insurance Provider Fee (HIF): The HIF fee is calculated as a 2.2% of the total premiums each year. This assumption was derived from an analysis conducted by Oliver Wyman on the Impact of the ACA's HIF in Year 2020 and Later[12]. Results can be seen in Tables 2, 6, and 7.

6.2 – With Waiver Estimates: Reinsurance (PY 2021)

This section describes the assumptions and methodology used to develop the With Waiver estimates due to implementation of the reinsurance program effective in PY 2021. Sections and Tables of this report that are supported by these descriptions include:

- Sections 3, 4
- Tables 2, 4, 5, 6, 7, 8, 10, 11

Claims: Claim costs in PYs 2021– 2030 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 was developed for PYs 2021 – 2030 as follows:

[12] 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

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

Premiums: Premiums PMPM and total for PYs 2021 – 2030, as shown in Tables 5 and 7, were estimated as follows:

- Started with the 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 described in Section 3;
    - Applied a morbidity improvement of 0.5% per 1% increase in enrollment based on a study from the American Economic Review (see Section 5).
- Estimated NBE portion of premium by trending at the same annual rate of 4% used in the Without Waiver scenario;
- Summed the claims and NBE portions of premium to develop the estimated premium PMPM.

SLCSP Premiums: SLCSP premiums in PYs 2021 – 2030 (as shown in Table 8 in Appendix II) were estimated in the same manner as premiums described above.

Enrollment: The primary impact of the reinsurance program is a decrease in the individual premium. With this decrease in cost, we apply a price sensitivity assumption of 0.4% increase in enrollment per 1% decrease in individual premium. This assumption is only applied to "On Exchange Not Subsidized" and "Off Exchange Not Subsidized" members, as those who are currently receiving subsidies are buffered from price movements due to their subsidy. The individuals who are joining the market due to the price drop are assumed to have incomes greater than 400%, because individuals who are subsidized would not feel the impact of the reinsurance program.

Subsidies: Subsidies (federal APTCs/state subsidies) for PYs 2021 – 2030 (as shown in Tables 2 and 6) were estimated as follows:

- Started with the 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

FFE User Fees: Similar to the baseline Without Waiver estimates, the FFE user fee was calculated as 3.5% of the total On Exchange premiums calculated in the With Waiver scenario for all years prior to the implementation of the Georgia Access Model (as shown in Tables 2, 6, and 7).

Health Insurance Providers Fee (HIF): Similar to the Without Waiver estimates, the HIF fee is calculated as a 2.20% of the total premiums calculated in the With Waiver scenario for PYs 2021 – 2030 (as shown in Tables 2, 6, and 7).

Reinsurance Program Cost: The reinsurance program cost in PYs 2021 – 2030 was calculated as follows:

- Determine total claims by multiplying the estimated claims portion of premium PMPM by estimated members months at a rating area level
- For each rating area, multiply the percent claim reduction associated with the coinsurance tier-level they are in (see Section 3, Table 4) by the prior amount
- Sum to get the statewide reinsurance cost

State and Federal Operating/Administration Costs: We understand the State of Georgia expects the cost of administering the reinsurance program to be $750,000 per year. Further, we assume there will be no increase in federal administrative costs related to the reinsurance program.

6.3 - With Waiver Estimates: Reinsurance and Georgia Access Model (PYs 2022 – 2030)

This section describes the assumptions and methodology used to develop the With Waiver estimates due to implementation of the Georgia Access Model in conjunction with the reinsurance program effective in PY 2022. It highlights any differences in the With Waiver estimates as compared to Section 6.2. Sections and Tables of this report that are supported by these descriptions include:

- Sections 3, 4
- Tables 2, 4, 5, 6, 7, 8, 10, 11, 14

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 6.2.

Eligible non-QHPs: For the actuarial analysis, it is assumed that Eligible non-QHPs will be plans that cover a subset of the ten EHBs and would therefore be offered with a lower premium compared to a typical PPACA QHP. The analysis included in this certification assumes that the average value of benefits covered of an Eligible non-QHP plan will be on average 90% of the average value of benefits covered for a standard QHP. The actuarial modeling also assumes that currently available QHPs will continue to be available in all rating areas.

Premiums: The Georgia Access Model provides access to individuals to purchase Eligible non-QHPs. These plans will be included in the single risk pool. Eligible non-QHPs are expected to provide coverage for an average of 90% of the benefits of full QHPs, resulting in lower premiums than for currently available plans. As discussed in the "Enrollment" section below, an increase in enrollment from the uninsured as well as a shift in enrollment to Eligible non-QHPs is expected under the Georgia Access Model. As a result, premiums for plans covering all ten EHBs are expected to increase to account for the impact of adverse selection resulting from members purchasing lower-cost plans while utilizing the same amount of services. However, the average non-group premium (including Eligible non-QHPs) is estimated to decrease, because some members who purchase lower-cost Eligible non-QHPs will change their behavior and utilize a less amount of services. Premium relativity factors were developed to account for these effects and applied to our premium estimates.

SLCSP Premiums: The SLCSP premium will continue to be tied to plans covering all ten EHBs. As explained in the "Premiums" section above, SLCSP premiums are expected to slightly increase as a result of the Georgia Access Model (note that compared to the Without Waiver scenario, premiums are still lower due to the reinsurance program).

Enrollment: The Georgia Access Model is expected to result in enrollment changes, in addition to enrollment changes resulting from the reinsurance program, as described in section 6.1. The Georgia

Access Model provides access to individuals to purchase Eligible non-QHPs. This is expected to increase enrollment from the currently uninsured. It is also expected that some currently insured members will purchase an Eligible non-QHP rather than a plan covering all ten EHBs. To date, no other state has pursued this type of model. The magnitude of these enrollment impacts is uncertain.

As described in the "Background" section, Georgia will use up to $255M in state funds for the reinsurance program and the state subsidies within the Georgia Access Model for PY 2022. Using the methodology and assumptions described in this analysis, this level of funding is sufficient to cover those already enrolled, and up to approximately 30,000 additional members for PY 2022, including up to 16,000 eligible for state subsidies. The remaining 14,000 individuals are assumed to have incomes greater than 400% of the FPL. These estimates also assume 10% of currently enrolled members will instead purchase an Eligible non-QHP. This 10% consists of two groups of individuals. The first are those who do not use the non-covered EHBs and are able to reduce their monthly premium while experiencing the same level of coverage. The second are people who do currently use the non-covered EHBs, but value the lower premium over the coverage of those specific benefits. As discussed in sections 1 and 3, the waiver provides the State flexibility to adjust subsidy and reinsurance parameters to be consistent with available funding.

Subsidies: Georgia is assuming responsibility for the subsidies, so federal pass through funding assumed to be received is the entire Without Waiver estimated APTC, reduced by the estimated decrease in HIF.

The Georgia Access Model provides access to individuals to use state subsidies on Eligible non-QHPs. As described in the "Premiums" section above, the introduction of Eligible non-QHPs is modeled to increase premiums for currently available QHPs, including the SLCSP, by 1.1%. Because Georgia's state subsidies for the actuarial modeling assumes the same federal subsidy structure in PY 2022, and each year of the waiver, this premium increase also increases the average state subsidy (note that it is not expected to entirely offset the decrease due to the reinsurance program). Assuming a covered benefit value of 90% of currently available plans, we assumed that the average APTC for those purchasing an Eligible non-QHP will be similar to members who buy-down to currently available bronze plans. This reflects that some members will be able to purchase a relatively cheaper (or free) Eligible non-QHP. For members who continue to purchase a currently available plan, the increased subsidy is entirely born by the State. The modeling assumes that 10% of the current QHP enrolled individuals will buy-down to Eligible non-QHPs, with most of those still maintaining the same level of claims costs. This dynamic would cause an increase in QHPs as noted above. The sensitivity of this assumption was modeled for the State assuming that currently available QHPs will continue to be available in all rating areas.

FFE User Fees: With the implementation of the Georgia Access Model, Georgia will no longer be using the FFE. We assume Georgia will charge a state-collected user fee applied to all premiums on the individual market.

HIF: No change to the methodology or assumptions in determining the HIF due to the implementation of the Georgia Access Model. Due to the additional enrollment increase, the federal government can expect to receive additional revenue from a larger member base paying premiums.

Reinsurance Program Cost: No change to the methodology or assumptions in determining the reinsurance program cost due to the implementation of the Georgia Access Model. Due to 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: We understand the State of Georgia anticipates the initial cost to implement the Georgia Access Model prior to PY 2022 to be $13.5 million.

Thereafter, the State expects $5 million in annual administrative/operating costs. We assume no additional federal costs.

Section 7 – Sensitivity Considerations

Due to the complexity associated with modeling the implementation of a statewide reinsurance program and the Georgia Access Model as described throughout, there were several assumptions used in this analysis. Some of the assumptions have minimal impact while others have a more substantial impact. Throughout the waiver development, sensitivity analysis on each of the assumptions were conducted and discussed in detail with the State. Some additional information regarding the more substantial assumptions is provided here. A high-level overview of the key assumptions can be found in Appendix I – High-Level Assumptions.

Uninsured Migration to Georgia Access Model: One of the main drivers of cost under the Georgia Access Model is the number of uninsured individuals who can join the market due to the decrease in overall premiums. Georgia intends to cap state-funded program expenditures beyond federal pass through dollars for PY 2022 and may adjust that value on an annual basis. The cap is equal to the estimated PY 2022 state funding requirement using the methodology and assumptions described in this analysis. Based on this cap, the modeling estimates 30,000 currently uninsured individuals could be covered under the Georgia Access Model (16,000 with subsidies and 14,000 without). The impact of uninsured gaining coverage under the Georgia Access Model incorporates the impact on reinsurance (the State will be covering all 30,000 in the reinsurance program) and the additional costs associated with new individuals receiving subsidies under the Georgia Access Model. The uninsured migration to the Georgia Access Model was analyzed at various enrollment assumptions, from no migration to much more than 30,000.

Reinsurance Insurer Conservatism: Another assumption that was analyzed under various assumptions is how carriers will price plans under the reinsurance program. The estimated impact of the 10% reduction in premiums included in this actuarial analysis incorporates insurer conservatism. The included scenario calculated that premiums could be reduced up to 11.5% based on the analysis under the identified reinsurance parameters but estimates a premium impact of 10% reduction incorporated by the carriers. The estimated market impact of reinsurance was modeled under various reinsurance parameters and carrier conservatism assumptions to understand the sensitivity of this assumption.

Eligible non-QHP Buy-Down: With the implementation of the Georgia Access Model, Georgians will have the ability to purchase Eligible non-QHPs for less than a full QHP would cost. Because some individuals may believe coverage of all ten EHBs that comprise a QHP are not needed, they could migrate to the Eligible non-QHPs to have a lower premium for the same utilized benefits. The modeling assumes that 10% of the current QHP enrolled individuals will buy-down to Eligible non-QHPs, with most of those still maintaining the same level of claims costs. This dynamic would cause an increase in QHPs as noted above. The sensitivity of this assumption was modeled for the State assuming no migration from QHPs to Eligible non-QHPs and up to 30% migration. The actuarial modeling also assumes that currently available QHPs will continue be available in all rating areas.

Section 8 – 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 have relied on historical claims and enrollment experience data provided to us as outlined in Section 5. We have reviewed the data for reasonableness and consistency during the course of our work; however, we have not audited any of the data we have 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 2019-2030. 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

Appendix I – High Level Assumptions

Assumption	Phase I - Reinsurance Only (PY 2021)	Phase II - Reinsurance + Georgia Access Model (PYs 2022 – 2025)
Enrollment Change due to price sensitivity (%)	0.4% increase per 1% decrease in premium	0.4% increase per 1% decrease in premium
Enrollment Change due to price sensitivity (#)	1,504	2,444 – 2,667
Enrollment change due to Georgia Access Model, specific to increased awareness of program and web broker/insurer marketing	N/A	20,000
Increased enrollment who are subsidy-eligible	N/A	15,000
Enrollment Change due to Georgia Access Model, specific to availability of Eligible non-QHPs	N/A	10,000
Increased enrollment who are subsidy-eligible	N/A	1,000
Percent of QHP enrollment assumed to buy-down to Eligible non-QHPs	N/A	10%
Assumed benefit differential for Eligible non-QHPs vs QHPs (inclusive of covered benefit differential only, not cost sharing)	N/A	10%

Appendix II – Detailed Estimates

Table 6: 10-year Deficit Impact (In $ millions)

Category of Impact	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
Baseline Without Waiver										
Federal Expenses										
(a) Total Subsidies	$2,493	$2,625	$2,764	$2,910	$3,063	$3,224	$3,393	$3,571	$3,758	$3,954
(b) Total FFE User Fees	$106	$111	$116	$122	$128	$134	$141	$148	$155	$163
Federal Revenues										
(c) Total FFE User Fees	$106	$111	$116	$122	$128	$134	$141	$148	$155	$163
(d) Total HIF	$70	$73	$77	$80	$84	$89	$93	$97	$102	$107
With Waiver										
Federal Expenses										
(e) Total Subsidies [I]	$2,212	$0	$0	$0	$0	$0	$0	$0	$0	$0
(f) FFE Expense Funded by User Fees [II]	$106	$0	$0	$0	$0	$0	$0	$0	$0	$0
Federal Revenues										
(g) Total FFE User Fees	$95	$0	$0	$0	$0	$0	$0	$0	$0	$0
(h) Total HIT	$63	$70	$74	$77	$81	$84	$88	$93	$97	$102
Comparison [III]										
(I) Total Subsidy Reduction (a - e)	$281	$2,625	$2,764	$2,910	$3,063	$3,224	$3,393	$3,571	$3,758	$3,954
(j) Total FFE User Fees Reduction (g - f) - (c - b)	($10)	$0	$0	$0	$0	$0	$0	$0	$0	$0
(k) Total HIT Reduction (h - d)	($7)	($3)	($3)	($3)	($4)	($4)	($4)	($5)	($5)	($6)
(l) Estimated Net Federal Savings (i+j+k)	**$264**	**$2,623**	**$2,761**	**$2,907**	**$3,060**	**$3,220**	**$3,389**	**$3,566**	**$3,753**	**$3,948**

[I] *When Phase 2 comes into effect in 2022, the Federal Government will no longer be responsible for subsidy payments*

[II] *When Phase 2 comes into effect in 2022, the Federal Government will no longer collect FFE User Fees, however, they will also no longer incur any expenses on the FFE for GA plans*

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

Table 7: Baseline Without Waiver, With Waiver and Funding Estimates, PYs 2021-2030

	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
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 Not Subsidized	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279	32,279
Off Exchange Not Subsidized	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[l]	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**	**387,764**
PMPM										
On Exchange Subsidized	$700	$734	$770	$808	$848	$889	$933	$979	$1,027	$1,078
On Exchange Not Subsidized	$553	$580	$608	$638	$670	$702	$737	$773	$811	$851
Off Exchange Not Subsidized	$586	$615	$645	$677	$710	$745	$782	$820	$860	$903
Grandfathered	$323	$339	$355	$373	$391	$411	$431	$452	$474	$497
Total[l]	**$680**	**$714**	**$749**	**$786**	**$824**	**$865**	**$907**	**$952**	**$999**	**$1,048**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,801	$2,938	$3,083	$3,234	$3,393	$3,560	$3,735	$3,919	$4,111	$4,314
On Exchange Not Subsidized	$214	$225	$236	$247	$259	$272	$285	$300	$314	$330
Off Exchange Not Subsidized	$147	$154	$162	$170	$178	$187	$196	$206	$216	$227
Grandfathered	$4	$4	$4	$4	$5	$5	$5	$5	$6	$6
Total[l]	**$3,166**	**$3,322**	**$3,485**	**$3,656**	**$3,835**	**$4,024**	**$4,222**	**$4,429**	**$4,647**	**$4,876**
With Waiver										
Target Reinsurance Funding (In $ millions)	$281	$2,732	$2,876	$3,027	$3,186	$3,353	$3,528	$3,712	$3,905	$4,108
Percent Change in Premium	-10.0%	-11.3%	-11.5%	-11.7%	-11.9%	-12.0%	-12.2%	-12.3%	-12.5%	-12.7%
Percent Change in Enrollment	0.4%	8.4%	8.4%	8.4%	8.4%	8.5%	8.5%	8.5%	8.5%	8.5%
Enrollment										
On Exchange Subsidized	333,584	349,584	349,584	349,584	349,584	349,584	349,584	349,584	349,584	349,584
On Exchange Not Subsidized	33,048	47,835	47,899	47,935	47,967	47,994	48,019	48,045	48,071	48,103
Off Exchange Not Subsidized	21,663	21,816	21,858	21,884	21,907	21,927	21,945	21,964	21,983	22,006
Grandfathered	972	972	972	972	972	972	972	972	972	972
Totall	**389,268**	**420,208**	**420,314**	**420,376**	**420,431**	**420,477**	**420,521**	**420,566**	**420,611**	**420,666**
PMPM										
On Exchange Subsidized	$630	$655	$686	$718	$751	$787	$824	$863	$904	$946
On Exchange Not Subsidized	$511	$525	$550	$576	$603	$632	$662	$694	$727	$761
Off Exchange Not Subsidized	$517	$539	$564	$590	$617	$646	$676	$708	$741	$775
Grandfathered	$323	$339	$355	$373	$391	$411	$431	$452	$474	$497
Totall	**$613**	**$633**	**$663**	**$694**	**$727**	**$761**	**$797**	**$835**	**$874**	**$915**
Total Premium (In $ millions)										
On Exchange Subsidized	$2,521	$2,748	$2,876	$3,011	$3,152	$3,301	$3,457	$3,621	$3,792	$3,970
On Exchange Not Subsidized	$203	$301	$316	$331	$347	$364	$382	$400	$419	$439
Off Exchange Not Subsidized	$134	$141	$148	$155	$162	$170	$178	$187	$196	$205
Grandfathered	$4	$4	$4	$4	$5	$5	$5	$5	$6	$6
Totall	**$2,862**	**$3,194**	**$3,345**	**$3,502**	**$3,666**	**$3,840**	**$4,022**	**$4,213**	**$4,412**	**$4,620**
Funding Estimates (In $ millions)										
Program Costs										
Reinsurance Program Cost	$367	$416	$444	$475	$508	$541	$575	$612	$652	$696
State Subsidies	$0	$2,443	$2,567	$2,697	$2,834	$2,978	$3,130	$3,289	$3,456	$3,628
Infrastructure/IT/Operational Cost (Reinsurance)	$1	$1	$1	$1	$1	$1	$1	$1	$1	$1
Infrastructure/IT/Operational Cost (Phase 2)	$0	$19	$5	$5	$5	$5	$5	$5	$5	$5
Federal Revenue Reductions										
HIF Reduction	$7	$3	$3	$3	$4	$4	$4	$5	$5	$6
FFE User Fees Reduction	$10	$0	$0	$0	$0	$0	$0	$0	$0	$0
State Funding Sources										
State User Fees	$0	($107)	($112)	($117)	($122)	($128)	($134)	($141)	($147)	($154)
Pass Through Funding	($281)	($2,625)	($2,764)	($2,910)	($3,063)	($3,224)	($3,393)	($3,571)	($3,758)	($3,954)
State Funding Requirement (In $ millions)[l]	**$104**	**$149**	**$145**	**$155**	**$165**	**$176**	**$188**	**$200**	**$213**	**$228**

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

Table 8: SLCSP Premium PMPM With and Without Reinsurance by Rating Area and Issuer Specific Service Area, PYs 2021 – 2030

Rating Area	Sub-area[1]	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
Baseline Without Waiver SLSCP Premium PMPM											
1	Entire Area	$487	$511	$536	$563	$590	$619	$650	$682	$715	$750
2	A	$365	$382	$401	$421	$442	$463	$486	$510	$535	$561
2	B	$569	$597	$626	$657	$689	$723	$758	$796	$835	$876
3	A	$490	$514	$539	$566	$593	$623	$653	$685	$719	$754
3	B	$390	$409	$429	$450	$472	$496	$520	$546	$572	$601
3	C	$371	$389	$408	$428	$449	$471	$494	$519	$544	$571
3	D	$582	$611	$641	$672	$706	$740	$777	$815	$855	$897
4	Entire Area	$736	$772	$810	$849	$891	$935	$981	$1,029	$1,080	$1,133
5	A	$495	$520	$545	$572	$600	$630	$661	$693	$727	$763
5	B	$479	$502	$527	$553	$580	$608	$638	$670	$703	$737
6	A	$341	$358	$375	$393	$413	$433	$454	$477	$500	$525
6	B	$659	$691	$725	$761	$798	$838	$879	$922	$967	$1,015
7	Entire Area	$369	$387	$406	$426	$447	$469	$492	$517	$542	$569
8	A	$375	$394	$413	$433	$455	$477	$501	$525	$551	$578
8	B	$607	$637	$668	$701	$735	$771	$809	$849	$891	$935
9	A	$500	$524	$550	$577	$606	$635	$667	$699	$734	$770
9	B	$352	$369	$387	$406	$426	$447	$469	$492	$516	$542
10	Entire Area	$536	$563	$590	$619	$650	$682	$715	$750	$787	$826
11	A	$674	$707	$741	$778	$816	$856	$898	$942	$989	$1,037
11	B	$313	$329	$345	$362	$379	$398	$418	$438	$460	$482
12	A	$380	$398	$418	$438	$460	$482	$506	$531	$557	$585
12	B	$592	$621	$651	$683	$717	$752	$789	$828	$869	$912
13	A	$517	$542	$569	$597	$626	$657	$689	$723	$758	$796
13	B	$509	$534	$560	$588	$617	$647	$679	$712	$747	$784
13	C	$312	$328	$344	$361	$378	$397	$416	$437	$458	$481
14	Entire Area	$385	$404	$424	$445	$467	$490	$514	$539	$566	$594
15	A	$315	$331	$347	$364	$382	$401	$420	$441	$463	$486
15	B	$762	$799	$838	$879	$923	$968	$1,016	$1,066	$1,118	$1,173
16	Entire Area	$565	$592	$621	$652	$684	$718	$753	$790	$829	$869

Table 8: Continued

Rating Area	Sub-area[1]	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
						With Waiver SLCSP Premium PMPM					
1	Entire Area	$418	$439	$457	$476	$496	$517	$539	$562	$585	$610
2	A	$346	$365	$381	$397	$415	$433	$452	$472	$493	$514
2	B	$540	$569	$594	$620	$647	$675	$705	$736	$769	$802
3	A	$465	$490	$511	$534	$557	$582	$607	$634	$662	$691
3	B	$370	$390	$407	$425	$444	$463	$483	$505	$527	$550
3	C	$352	$371	$387	$404	$422	$440	$460	$480	$501	$523
3	D	$553	$582	$608	$635	$662	$692	$722	$754	$787	$821
4	Entire Area	$552	$578	$600	$623	$647	$672	$699	$727	$755	$784
5	A	$471	$496	$517	$540	$564	$588	$614	$641	$670	$699
5	B	$455	$479	$500	$522	$544	$568	$593	$620	$647	$675
6	A	$256	$268	$278	$289	$300	$311	$324	$337	$350	$363
6	B	$495	$518	$537	$558	$579	$602	$626	$651	$677	$702
7	Entire Area	$317	$333	$347	$361	$376	$392	$408	$426	$444	$462
8	A	$357	$375	$392	$409	$427	$446	$465	$486	$507	$529
8	B	$576	$607	$634	$661	$690	$721	$752	$786	$820	$856
9	A	$429	$450	$469	$489	$509	$531	$553	$576	$601	$626
9	B	$302	$317	$330	$344	$358	$373	$389	$405	$423	$440
10	Entire Area	$403	$421	$437	$454	$472	$490	$510	$530	$551	$571
11	A	$506	$529	$549	$570	$592	$616	$640	$665	$691	$718
11	B	$235	$246	$255	$265	$275	$286	$298	$309	$322	$334
12	A	$326	$342	$356	$371	$386	$403	$420	$438	$456	$475
12	B	$508	$533	$556	$579	$603	$628	$655	$682	$711	$741
13	A	$388	$406	$421	$437	$454	$472	$491	$510	$530	$550
13	B	$382	$400	$415	$431	$448	$465	$484	$503	$523	$543
13	C	$234	$245	$255	$265	$275	$285	$297	$308	$321	$333
14	Entire Area	$366	$385	$402	$420	$438	$458	$478	$499	$521	$544
15	A	$237	$248	$257	$267	$277	$288	$300	$311	$324	$336
15	B	$572	$598	$621	$645	$670	$696	$724	$752	$782	$811
16	Entire Area	$484	$509	$530	$552	$575	$599	$624	$651	$678	$706

[1] *List of counties in each sub-area are shown in Table 9*

Table 9: 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)

Table 10: Baseline Without Waiver and With Waiver Enrollment by FPL, PYs 2021 – 2030

	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
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	8,701	8,701	8,701	8,701	8,701	8,701	8,701	8,701	8,701
≥100% to ≤150% of FPL	169,800	177,944	177,944	177,944	177,944	177,944	177,944	177,944	177,944	177,944
>150% to ≤200% of FPL	68,063	71,327	71,327	71,327	71,327	71,327	71,327	71,327	71,327	71,327
>200% to ≤250% of FPL	36,542	38,295	38,295	38,295	38,295	38,295	38,295	38,295	38,295	38,295
>250% to ≤300% of FPL	22,224	23,290	23,290	23,290	23,290	23,290	23,290	23,290	23,290	23,290
>300% to ≤400% of FPL	23,110	24,218	24,218	24,218	24,218	24,218	24,218	24,218	24,218	24,218
>400% of FPL	5,543	5,809	5,809	5,809	5,809	5,809	5,809	5,809	5,809	5,809
Average Annual Enrollment[1]	**333,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**
On Exchange Not Subsidized										
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	1,834	16,621	16,684	16,720	16,752	16,779	16,805	16,831	16,857	16,889
Average Annual Enrollment[1]	**33,048**	**47,835**	**47,899**	**47,935**	**47,967**	**47,994**	**48,019**	**48,045**	**48,071**	**48,103**
Off Exchange Not Subsidized										
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	9,581	9,734	9,776	9,802	9,825	9,845	9,863	9,882	9,901	9,924
Average Annual Enrollment[1]	**21,663**	**21,816**	**21,858**	**21,884**	**21,907**	**21,927**	**21,945**	**21,964**	**21,983**	**22,006**

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

Table 11 Baseline Without Waiver and With Waiver Average Annual Enrollment by Metal Level, PYs 2021 – 2030

	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
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
Catastrophic	-	-	-	-	-	-	-	-	-	-
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	55,769	55,769	55,769	55,769	55,769	55,769	55,769	55,769	55,769
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
Catastrophic	-	-	-	-	-	-	-	-	-	-
Average Annual Enrollment[1]	**333,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**	**349,584**
On Exchange Not Subsidized										
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	12,961	27,027	27,063	27,084	27,102	27,118	27,132	27,147	27,162	27,180
Silver	12,837	12,894	12,910	12,918	12,926	12,932	12,938	12,944	12,950	12,958
Gold	5,503	5,534	5,542	5,547	5,552	5,555	5,559	5,563	5,566	5,571
Catastrophic	1,747	2,380	2,383	2,385	2,387	2,388	2,390	2,391	2,392	2,394
Average Annual Enrollment[1]	**33,048**	**47,835**	**47,899**	**47,935**	**47,967**	**47,994**	**48,019**	**48,045**	**48,071**	**48,103**
Off Exchange Not Subsidized										
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	9,502	9,570	9,589	9,601	9,611	9,620	9,629	9,637	9,645	9,656
Silver	8,793	8,856	8,873	8,884	8,893	8,901	8,908	8,916	8,924	8,933
Gold	2,448	2,464	2,468	2,471	2,473	2,475	2,477	2,479	2,481	2,483
Catastrophic	920	926	928	929	930	931	931	932	933	934
Average Annual Enrollment[1]	**21,663**	**21,816**	**21,858**	**21,884**	**21,907**	**21,927**	**21,945**	**21,964**	**21,983**	**22,006**

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

Table 12 Baseline PY 2021 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	-	8,303
100% to 150% FPL	8,625	160,363	812	-	169,800
150% to 200% FPL	6,708	60,136	1,219	-	68,063
200% to 250% FPL	6,708	25,773	4,062	-	36,542
250% to 300% FPL	6,708	11,454	4,062	-	22,224
300% to 400% FPL	7,187	11,454	4,468	-	23,110
400%+ FPL	1,534	3,439	569	-	5,543
Total[1]	**39,769**	**277,771**	**16,044**	**-**	**333,584**
On Exchange Not Subsidized					
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[1]	**12,654**	**12,566**	**5,355**	**1,704**	**32,279**
Off Exchange Not Subsidized					
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[1]	**9,173**	**8,494**	**2,373**	**888**	**20,928**

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

Table 13 With Waiver PY 2021 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	-	8,303
100% to 150% FPL	8,625	160,363	812	-	169,800
150% to 200% FPL	6,708	60,136	1,219	-	68,063
200% to 250% FPL	6,708	25,773	4,062	-	36,542
250% to 300% FPL	6,708	11,454	4,062	-	22,224
300% to 400% FPL	7,187	11,454	4,468	-	23,110
400%+ FPL	1,534	3,439	569	-	5,543
Total[1]	**39,769**	**277,771**	**16,044**	**-**	**333,584**
On Exchange Not Subsidized					
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	796	426	338	274	1,834
Total[1]	**12,961**	**12,837**	**5,503**	**1,747**	**33,048**
Off Exchange Not Subsidized					
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	4,206	3,889	1,078	407	9,581
Total[1]	**9,502**	**8,793**	**2,448**	**920**	**21,663**

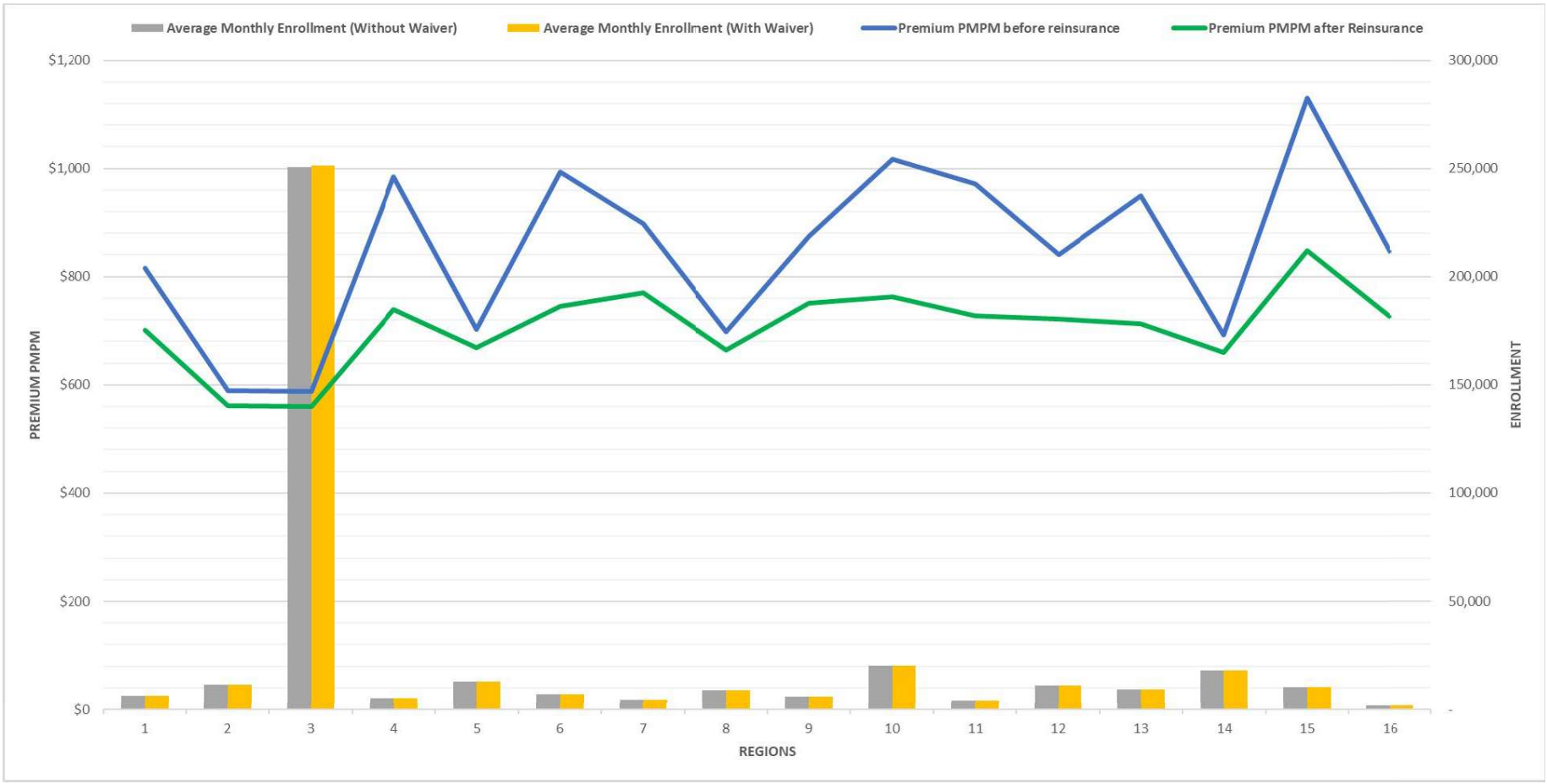
[1] *Totals may not equal sum of the parts due to rounding*

Table 14 Average non-Group Market Premium Rate Projections

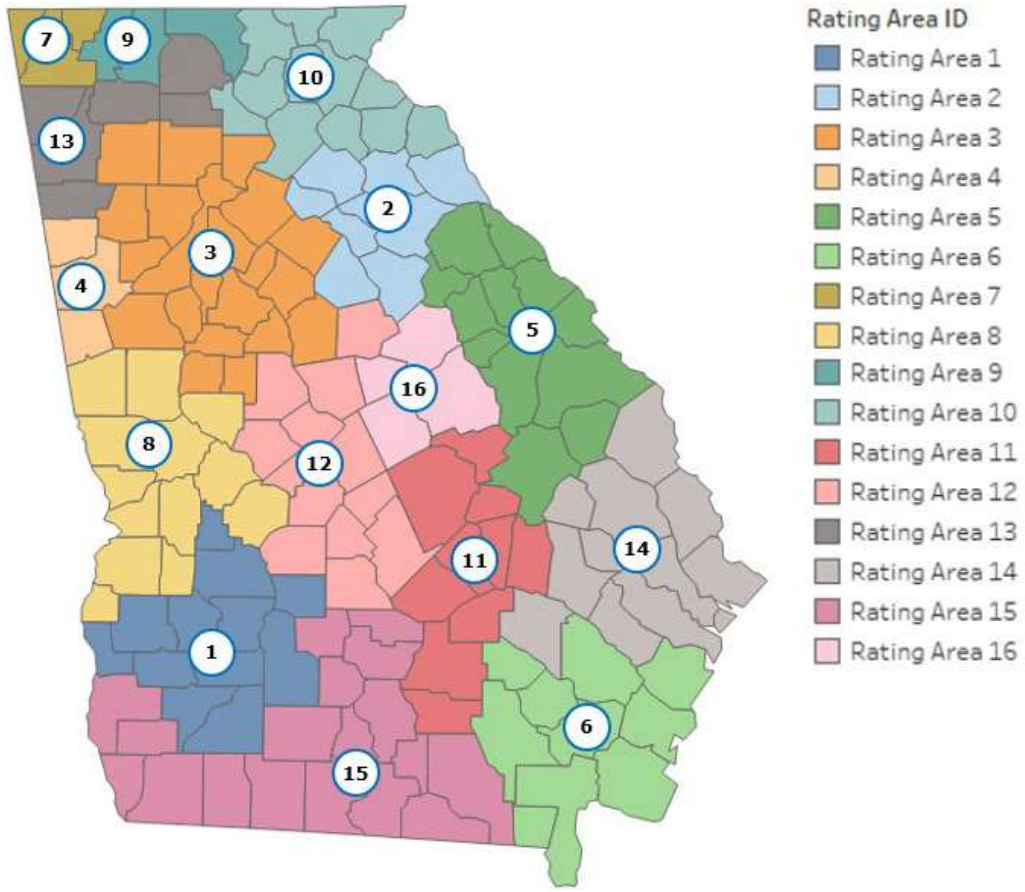
	PY 2021	PY 2022	PY 2023	PY 2024	PY 2025	PY 2026	PY 2027	PY 2028	PY 2029	PY 2030
Premium PMPM										
(a) Baseline Without Waiver	$680	$714	$749	$786	$824	$865	$907	$952	$999	$1,048
(b) With Waiver	$613	$633	$663	$694	$727	$761	$797	$835	$874	$915
(c) Comparison[l] (b-a)	($68)	($80)	($86)	($91)	($98)	($104)	($110)	($117)	($124)	($133)

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

Figure 1: PY 2021 Reinsurance Impact by Rating Area



Appendix III – 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 IV – Crosswalk to CMS Checklist

CMS Checklist Item	Section in Memo
• 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 7
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 1, Section 4, and Appendix II
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.	Section 1, Section 4, and Appendix II

CMS Checklist Item	Section in Memo
• 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.	
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 1, Section 6, and Appendix II.
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 5 and Section 6
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 1 and Appendix II
• 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 1 and Appendix II
• 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.	Not applicable

CMS Checklist Item	Section in Memo
• 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.	
• 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 2, Section 4, and Appendix II
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.	Section 4 and Appendix II
An estimate of the following items separately under both a 'without-waiver' scenario and a 'with-waiver' scenario: Overall average non-group market premium rate.	Section 4 and Appendix II
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.	Section 4 and Appendix II
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

CMS Checklist Item	Section in Memo
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 and Appendix II
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 6
• 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 under the baseline for each year to those projected under the waiver (i.e. with a high-risk pool/reinsurance program in effect).	Section 2, Section 4, and Appendix II
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 3 and Section 6