

Section 1332 of the Patient Protection and Affordable Care Act (PPACA)

State Innovation Waivers - Reinsurance Waiver Annual Report

Reporting Instructions: Please capture data for annual 1332 waiver grant reporting in this template, which has been developed based on paragraph 10 of your specific terms and conditions (STC), and in accordance with 45 CFR 155.1324(b)-(c). For any items that are marked “if applicable,” please refer to the requirements in your STCs to determine whether you need to fill in those data fields. Draft annual reports are due within 90 days of the end of each calendar year that your waiver is in effect.

STATE: North Dakota

A. GRANTEE INFORMATION		
1. Reporting Period End Date Dec 31, 2020	2. Report Due Date Mar 31, 2021	3. Report Submitted On (Date) Mar 30, 2021
4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight		
5. Federal Grant Number Assigned by Federal Agency SIWIW200013-01-00	6a. DUNS Number 803755149	6b. EIN 45-0309764
7. Recipient Organization Name North Dakota Insurance Department		
Address Line 1 600 E Boulevard Ave Dept 401		
Address Line 2		
Address Line 3		
City Bismarck	State ND	Zip Code 58505
Zip Extension 0602	8. Grant Period Start Date Jan 1, 2020	9. Grant Period End Date Dec 31, 2024
10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency)		

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B. REPORT CERTIFICATION

11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

11a. Typed or printed name and title of Authorized Certifying Official

John Arnold

11b. Signature of Authorized Certifying Official

11c. Telephone (area code, number, and extension)

(701) 328-4984

11d. E-mail address

jrarnold@nd.gov

11e. Date report submitted (month/day/year)

Mar 30, 2021

C. PROGRESS OF SECTION 1332 WAIVER - General

12. Provide an update on progress made in implementing and/or operating the state's approved 1332 waiver program.

Progress continues to be smooth. The legislation to reauthorize the RAND program and remove the sunset clause has passed the ND House of Representatives and it received a 'Do Pass' recommendation from the ND Senate policy committee. HB 1087 has been re-referred to the ND Senate Appropriations committee for consideration.

13. Describe any implementation and/or operational challenges to meet the 1332 statutory guardrails, and plans for and results of associated corrective actions. After the first year, only report on changes and/or updates, as appropriate.

Nothing new to report during 4th Qtr 2020.

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D. PROGRESS OF SECTION 1332 WAIVER - <u>State-Specific</u>		
14. Metrics to assist evaluation of the waiver's compliance with statutory requirements in Section 1332(b)(1)		
	Value	Comments (if applicable)
a. Actual individual market enrollment on the Exchange in the state	20,775 contract 35,983 covered lives	
Actual individual market enrollment off the Exchange in the state	2,295 contract 4,660 covered lives	
b. Actual average individual market premium rate on the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)		This information is not yet available. We will request as part of the upcoming ACA filings
Actual average individual market premium rate off the Exchange (i.e., total individual market premiums divided by total member months of all enrollees)		This information is not yet available. We will request as part of the upcoming ACA filings
c. Actual Second Lowest Cost Silver Plan (SLCSP) premium for Exchange plans under the waiver for a representative consumer (e.g., a 21-year old non-smoker) in each rating area	Year Exp: Rating Area 1* (SLCSP1) Exp: Rating Area 2* (SLCSP2) Exp: Rating Area 3* (SLCSP3) Exp: Rating Area 4* (SLCSP4) (Trail and Burleigh County Only) Exp: Rating Area 4* (SLCSP4) (All other Counties) \$255.50 \$255.50 \$310.58 \$255.50 \$319.23	

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	Value	Comments (if applicable)
Estimate of the SLCSP premium for Exchange plans as it would have been without the waiver for a representative consumer (e.g., a 21-year old non-smoker) in each rating area	Exp: Rating Area 1* (SLCSP1) Exp: Rating Area 2* (SLCSP2) Exp: Rating Area 3* (SLCSP3) Exp: Rating Area 4* (SLCSP4) (Trail and Burleigh County Only) Exp: Rating Area 4* (SLCSP4) (All other Counties) \$319.37 \$319.37 \$388.21 \$319.37 \$400.06	
d. For states with State-based Exchanges , actual amount of Advanced Premium Tax Credit (APTC) paid to issuers, by rating area for the plan year	N/A	N/A
e. For states with State-based Exchanges , actual number of APTC recipients for the plan year. This should be reported as number summed over all 12 months and divided by 12 to provide an annualized measure.	N/A	N/A
15. Please confirm whether there was any impact of the waiver on the scope of benefits or Essential Health Benefit (EHB) benchmark. There are no current impacts on ND's EHB benchmark plan.		

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

At this time, assessments against the carriers have been suspended. This suspension of assessments began with the 3rd Qtr of 2020 and has continued into 2021.

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

HB 1087 was introduced during the 2021 ND Legislative Session in order to reauthorize the RAND and remove the sunset clause. The bill has passed both the ND House of Representatives and the ND Senate and is currently awaiting the Governor's signature.

18. Report on spending:

	Value	Comments (if applicable)
a. Amount of Federal pass-through funding spent on individual claim payments to issuers from the reinsurance program	\$0	Payments for the 2020 plan year will be made in June of 2021.
b. Amount of Federal pass-through funding spent on operation of the reinsurance program	\$	For use of the EDGE Server data.
c. Amount of any unspent balance of Federal pass-through funding for the reporting year		
d. Amount of state funding contribution to fully fund the program for the reporting year	\$21,988,170	Note, that \$0 of the state funding came from the Bank of ND line of credit.

19. If applicable, provide a claims breakout at an aggregate level for the top 5 conditions or cost drivers of the 5 conditions, including settings of care in the individual market.

N/A

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

No incentives have been approved or used.

21. If applicable, report of any reconciliation of reinsurance payments that the state wishes to make for any duplicative reimbursement through the state reinsurance program for the same high cost claims reimbursed through the Department of Health and Human Services (HHS)-operated high cost risk adjustment program.

	Value	Comments (if applicable)
a. Reinsurance payment (before reconciliation) for high-cost claims to issuers who also receive payment through the HHS risk adjustment program under the high-cost risk pool	N/A	
b. Risk adjustment amount paid by HHS for those claims		
c. Reinsurance reconciliation (or true-up) amount applied		

E. POST-AWARD FORUM

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

☒ **Yes**

☐ **No**

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

<https://www.insurance.nd.gov/events/1332-waiver-virtual-annual-meeting>

24. Date Post-Award Forum took place

1/15/2021

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

No members of the public joined the live virtual Post-Award Forum and no written comments were received.

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

F. STATE INTERNAL IMPLEMENTATION REVIEW - ATTESTATION

27. Attestation: The state attests that periodic implementation reviews related to the implementation of the waiver have been conducted in accordance with 31 CFR 33.120(b) and 45 CFR 155.1320(b).

☒ Yes

☐ No

28. Describe the state's implementation review process.

The North Dakota Insurance Department has set up a team consisting of the Deputy Commissioner, Chief Examiner, Life & Health/Medicare Division Director, Financial Analyst, Accountant and Life & Health Actuary which work together to review and ensure continued compliance. The RAND Board of Directors also assist in monitoring compliance.