



Notice of Public Comment Period Extension on Proposed Section 1332 Waiver Amendment Application

On March 12, 2021, the Maine Bureau of Insurance issued a [Notice](#) of Public Comment Period and Public Hearings on a proposed Section 1332 Waiver Amendment Application. The Notice invited written comments from the public by April 12, 2021 at 4:30 p.m. The Bureau is extending the deadline for written comments, as set forth below.

As originally drafted, the 1332 waiver amendment application proposed to extend MGARA reinsurance to a pooled individual and small group market and transition the program to a retrospective claims cost-based model, beginning January 1, 2022. Maine is now delaying the pooling of the individual and small group markets until 2023. Therefore, the proposal to extend MGARA reinsurance to a pooled individual and small group market is delayed until 2023. Maine still intends to proceed with the proposal to transition MGARA reinsurance to a retrospective model beginning January 1, 2022. The draft application is available at the following link: <https://www.maine.gov/pfr/insurance/news-public-notice/other-news-and-updates/mgara-information>.

The delay of part of the 1332 waiver amendment is for two reasons. First, over the last year, the COVID-19 pandemic has created a public health emergency that has had a major economic impact in this state. Significant resources have been expended by the State and small businesses in responding to this pandemic, and it has introduced significant disruption to insurance markets. The full scope of the pandemic's economic impact, particularly for small businesses, is still unknown. The delay will allow the State to better understand the economic impact of COVID-19 and how best to proceed with its plan to improve access and affordability of coverage and avoid adverse consequences.

Second, on March 11, 2021, President Biden signed the American Rescue Plan Act of 2021 into law. This legislation makes significant improvements to the affordability of Marketplace health coverage by increasing premium tax credits to help pay for coverage and expanding eligibility for those tax credits. The substantial changes in the structure of the tax credits make estimating the impact of the pooled markets and Federal pass-through amounts challenging. The delay will allow the State to fully analyze the legislation's impact and determine the best way to maximize this opportunity.

Written comments will now be accepted until **April 19, 2021 at 4:30 p.m.** and should be addressed to Brittnee Greenleaf at Brittnee.L.Greenleaf@maine.gov or at 34 State House Station, Augusta, ME 04333-0034.

DATED: March 30, 2021

Eric A. Cioppa
Superintendent of Insurance