

From: Record, Thomas M
Sent: Tuesday, April 24, 2018 10:30 AM
To: 'katie.espling@ihs.gov' <katie.espling@ihs.gov>
Subject: Request for Tribal Consultation

Dear Ms. Espling:

Thank you for your time on the telephone this morning. Please find attached links to several documents which describe, in various degrees of detail, the Maine Bureau of Insurance's forthcoming application to federal CMS for a Section 1332 innovation waiver. The application process requires a tribal consultation and we look forward to your advice as to how best to proceed to interact with the Penobscot Nation regarding this matter..

In very brief summary, the Maine Bureau of Insurance is applying to federal CMS for a Section 1332 Innovation Waiver. The goal of the project is to provide premium relief and market stability to Maine's individual health insurance market. This would be accomplished through the reactivation of the Maine Guaranteed Access Reinsurance Association (MGARA) which has been in hiatus since January 1, 2014. Resultant premium savings would directly result in a reduction in premium tax credits provided to Maine residents of the federal government and the premium tax credits would "pass through" or be returned to the program for the purpose of further premium reductions.

Linked documents include:

- A Powerpoint which provides a high level overview of the proposal; <http://www.maine.gov/pfr/insurance/mgara/Power%20Point%20re%20Section%201332%20Innovation%20Waiver.pptx>
- A draft Executive Summary/narrative describing the proposal, <http://www.maine.gov/pfr/insurance/mgara/State%20of%20Maine%20Executive%20Summary%20Application%20for%20Waiver%20Under%20Section%201332.pdf>, and
- The economic and actuarial modeling for the program which has been performed by Milliman, Inc. <http://www.maine.gov/pfr/insurance/mgara/Section%201332%20State%20Innovation%20Waiver%20Actuarial%20Analyses%20and%20Certification%20and%20Economic%20Analyses.pdf>

Nothing in the proposal affects the provision of tribal health care services nor does it affect the benefits or coverages of any health insurance policies that tribal members may be enrolled in. It does however seek to lower premiums in the individual health insurance market through a combination of three funding sources – (1) reinsurance premiums which insurers would pay to the Maine Guaranteed Access Reinsurance Association (MGARA), (2) \$4 per member per month on both individual and group health insurance as well as self-funded plans administered by third parties and (3) savings to the federal government in the form of a reduction in the amount of premium tax credits provided to Maine residents as a result of MGARA's operation.

Please feel free to contact me if there is anything else I can provide which you may find helpful in connection with this proposal.

We look forward to working with the MicMac Tribe. We are open to receipt of written comments from you or would be open to in-person consultation if preferable.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Tuesday, May 01, 2018 9:03 AM
To: 'katie.espling@ihs.gov' <katie.espling@ihs.gov>
Subject: Request for Tribal Consultation; Bureau of Insurance Section 1332 Innovation Waiver

Dear Ms. Espling:

Good morning.

This is to follow up on my e-mail to you of April 24. As noted at that time, the Maine Bureau of Insurance is seeking a tribal consultation with the MicMac tribe regarding the Bureau's forthcoming application to CMD for a Section 1332 Innovation Waiver. We would appreciate receipt of any comments the tribe may have by Friday, May 4.

To reiterate, the goal of the project is to provide premium relief and market stability to Maine's individual health insurance market. This would be accomplished through the reactivation of the Maine Guaranteed Access Reinsurance Association (MGARA) which has been in hiatus since January 1, 2014. Resultant premium savings would directly result in a reduction in premium tax credits provided to Maine residents of the federal government and the premium tax credits would "pass through" or be returned to the program for the purpose of further premium reductions.

Linked documents include:

- A Powerpoint which provides a high level overview of the proposal; <http://www.maine.gov/pfr/insurance/mgara/Power%20Point%20re%20Section%201332%20Innovation%20Waiver.pptx>
- A draft Executive Summary/narrative describing the proposal, <http://www.maine.gov/pfr/insurance/mgara/State%20of%20Maine%20Executive%20Summary%20Application%20for%20Waiver%20Under%20Section%201332.pdf>, and
- The economic and actuarial modeling for the program which has been performed by Milliman, Inc. <http://www.maine.gov/pfr/insurance/mgara/Section%201332%20State%20Innovation%20Waiver%20Actuarial%20Analyses%20and%20Certification%20and%20Economic%20Analyses.pdf>

Nothing in the proposal affects the provision of tribal health care services nor does it affect the benefits or coverages of any health insurance policies that tribal members may be enrolled in. It does however seek to lower premiums in the individual health insurance market through a combination of three funding sources – (1) reinsurance premiums which insurers would pay to the Maine Guaranteed Access Reinsurance Association (MGARA), (2) \$4 per member per month on both individual and group health insurance as well as self-funded plans administered by third parties and (3) savings to the federal government in the form of a reduction in the amount of premium tax credits provided to Maine residents as a result of MGARA's operation.

Please feel free to contact me if there is anything else I can provide which you may find helpful in connection with this proposal.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Wednesday, April 25, 2018 11:48 AM
To: 'csabattis@maliseets.com' <csabattis@maliseets.com>
Cc: Bear, Henry <henry.bear@legislature.maine.gov>
Subject: Request for Tribal Consultation

Dear Chief Sabattis:

Please find attached a request for tribal consultation/comment as well as several other supporting documents which describe, in various degrees of detail, the Maine Bureau of Insurance's forthcoming application to the U.S. government for an Affordable Care Act Section 1332 innovation waiver.

In very brief summary, the goal of the project is to provide premium relief and market stability to Maine's individual health insurance market. This would be accomplished through the reactivation of the Maine Guaranteed Access Reinsurance Association (MGARA) which has been in hiatus since January 1, 2014. Resultant premium savings would directly result in a reduction in premium tax credits provided to Maine residents of the federal government and the premium tax credits would "pass through" or be returned to the program for the purpose of further premium reductions.

The attached supporting documents include:

- A Powerpoint which provides a high-level project overview;
- A draft Executive Summary/project narrative
- Economic and Actuarial Modeling performed by Milliman, Inc.

Nothing in the proposal affects the provision of tribal health care services nor does it affect the benefits or coverages of any health insurance policies that tribal members may be enrolled in.

Please feel free to contact me if there is anything else I can provide which you may find helpful in connection with this proposal. Bureau staff can be available for in-person or telephonic discussion if helpful.

We would appreciate receipt of any written comments which the Houlton Band of Maliseets may have by May 4.

Thank you. We look forward to working with you regarding this matter.

Thomas M. Record
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Maine Bureau of Insurance
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thomas.m.record@maine.gov



Paul R. LePage
GOVERNOR

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL
AND FINANCIAL REGULATION
BUREAU OF INSURANCE
34 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0034

Eric A. Cioppa
Superintendent

April 25, 2018

Clarissa Sabattis, Chief
Houlton Band of Maliseets
88 Bell Road
Littleton, Maine 04730

RE: Section 1332 Innovation Waiver
Request for Tribal Consultation

Dear Chief Sabattis:

On behalf of the Maine Bureau of Insurance (BOI), I am writing to inform you of a proposed Affordable Care Act (ACA) 1332 State Innovation Waiver, in keeping with waiver requirements to conduct tribal consultation.

The Maine Guaranteed Access Reinsurance Association (MGARA) was created through legislation (Public Law chapter 90) and actively operated in 2012-2013. During that time, it provided about \$66 million in insurance premium relief to Maine's individual health insurance market. By example, one insurer's 2013 individual rate increase was 20% less than it would have been but for MGARA. MGARA was funded by a combination of reinsurance premiums charged health insurance carriers and a \$4 per member per month assessment on individual and group insurance coverage as well as on self-funded plans administered by third parties. Beginning in 2014, MGARA ceased active operations due to the presence of the federal government's transitional reinsurance program which was substantially duplicative of MGARA. Since the federal transitional program ended after 2016, individual health insurance rates have risen sharply.

Under the Affordable Care Act, states may request a 1332 Innovation Waiver to pursue innovative strategies for providing their residents with access to high quality, affordable health insurance while retaining the basic protections of the ACA. States must adhere to the following guardrails; the waiver must provide coverage to at least as many people as the ACA would provide without the waiver, coverage must be as comprehensive as provided under the ACA, coverage must be as affordable as coverage under the ACA, and the waiver cannot increase the federal deficit.



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OFFICES LOCATED AT 76 NORTHERN AVENUE, GARDINER, MAINE 04345
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Customer Complaint: 1-800-300-5000

Fax (207) 624-8599

The Section 1332 Waiver doesn't change existing waiver authority for provisions in other Federal health programs such as Medicaid or Medicare (including waiver authorities under 3021 or under 1115), although states may apply for such waivers under a coordinated application process.

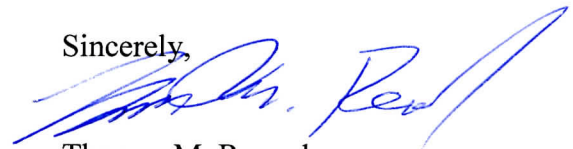
Maine's waiver request is fairly straightforward. MGARA's active operations would be reactivated. Its previous funding sources of reinsurance premiums charged insurers and assessments on all health insurance market segments would be augmented by federal funding. Under the proposed waiver, Maine would receive federal pass-through funding to subsidize MGARA, based on savings that would be generated as a result of a reduction in Advanced Premium Tax Credits (APTCs) compared to APTCs absent the reinsurance program. The State Innovation Waiver would be effective January 1, 2019 for an initial period of five years, with an option to renew for an additional five years.

There are not any projected impacts to Indian Health Services resulting from this waiver.

I am enclosing several other documents with this letter which provide further detail regarding the project. These include a Powerpoint which contains a high-level description of the program, a draft project executive summary/narrative and the economic and actuarial modeling for the program which has been performed by Milliman, Inc.

We would be pleased to respond to any questions you may have or to receive any comments you. If you would like to arrange an in-person or telephonic discussion, please advise at your earliest convenience. We would appreciate any written comments you may have prior to May 4, 2018. Comments may be directed to my attention, Thomas Record, Senior Staff Attorney, Maine Bureau of Insurance, 34 State House Station, Augusta, ME 04333-0034, by e-mail at thomas.m.record@maine.gov. If you wish to speak to me by telephone, my number is (207)624-8424.

Sincerely,



Thomas M. Record
Senior Staff Attorney

Cc Rep. Henry John Bear

From: Record, Thomas M
Sent: Tuesday, May 01, 2018 8:48 AM
To: 'adriennelola24@gmail.com' <adriennelola24@gmail.com>
Subject: RE: Maine Guaranteed Access Reinsurance Association (MGARA); Request for Tribal Consultation

Good morning Ms. Lola:

We would appreciate receipt of any comments the Passamaquoddy Tribe may have regarding the Maine Bureau of Insurance's application to CMS for a Section 1332 Innovation Waiver by Friday, May 4. As always, we stand ready to discuss the project with you or other tribal representatives as helpful.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Tuesday, April 24, 2018 10:35 AM
To: 'adriennelola24@gmail.com' <adriennelola24@gmail.com>
Subject: RE: Maine Guaranteed Access Reinsurance Association (MGARA); Request for Tribal Consultation

Good morning Ms. Lola:

I'm just forwarding up on my email of last week. Have you had an opportunity to speak with your supervisor? If so, would the Tribe have any questions or comments regarding the proposal? Is there anything I can do to assist you?

Thanks,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Thursday, April 19, 2018 10:10 AM

To: 'adriennelola24@gmail.com' <adriennelola24@gmail.com>

Subject: Maine Guaranteed Access Reinsurance Association (MGARA); Request for Tribal Consultation

Dear Ms. Lola:

Thank you for your time on the telephone this morning. Please find enclosed several documents which provide various forms regarding the Bureau's forthcoming application to federal CMS for a Section 1332 innovation waiver. The application process requires a tribal consultation and we look forward to your advice as to how best to handle this. .

As I mentioned on the phone, nothing in the proposal affects the provision of tribal health care services nor does it affect the benefits or coverages of any health insurance policies that tribal members may be enrolled in. It does however seek to lower premiums in the individual health insurance market through a combination of three funding sources – (1) reinsurance premiums which insurers would pay to MGARA, (2) \$4 per member per month on both individual and group health insurance as well as self-funded plans administered by third parties and (3) savings to the federal government in the form of a reduction in the amount of premium tax credits provided to Maine residents as a result of MGARA's operation.

Linked documents include:

- A Powerpoint which provides a high level overview of the proposal; <http://www.maine.gov/pfr/insurance/mgara/Power%20Point%20re%20Section%201332%20Innovation%20Waiver.pptx>
- A draft Executive Summary narrative describing the proposal, <http://www.maine.gov/pfr/insurance/mgara/State%20of%20Maine%20Executive%20Summary%20Application%20for%20Waiver%20Under%20Section%201332.pdf> and
- The economic and actuarial modeling for the program which has been performed by Milliman, Inc. <http://www.maine.gov/pfr/insurance/mgara/Section%201332%20State%20Innovation%20Waiver%20Actuarial%20Analyses%20and%20Certification%20and%20Economic%20Analyses.pdf>

Please feel free to contact me if there is anything else I can provide which you may find helpful in connection with this proposal.

It is my understanding that you will speak with your supervisor and get back to me regarding this matter. We look forward to working with the Passamaquoddy Tribe.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Tuesday, May 01, 2018 8:56 AM
To: 'mary.settles@penobscotnation.org' <mary.settles@penobscotnation.org>
Subject: RE: Request for Tribal Consultation

Dear Ms. Settles:

This is to follow-up on my April 24 e-mail to you. As noted at that time, the Maine Bureau of Insurance is seeking a tribal consultation regarding the Bureau's proposed Application to CMS for a Section 1332 Innovation Waiver. We would appreciate any thoughts regarding this matter which the Penobscot Nation may have by Friday, May 4. We stand ready to discuss the matter with tribal representatives if helpful.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov

From: Record, Thomas M
Sent: Tuesday, April 24, 2018 10:16 AM
To: 'mary.settles@penobscotnation.org' <mary.settles@penobscotnation.org>
Subject: Request for Tribal Consultation

Dear Ms. Settles:

Thank you for your time on the telephone this morning. Please find attached links to several documents which describe, in various degrees of detail, the Maine Bureau of Insurance's forthcoming application to federal CMS for a Section 1332 innovation waiver. The application process requires a tribal consultation and we look forward to your advice as to how best to proceed to interact with the Penobscot Nation regarding this matter..

In very brief summary, the Maine Bureau of Insurance is applying to federal CMS for a Section 1332 Innovation Waiver. The goal of the project is to provide premium relief and market stability to Maine's individual health insurance market. This would be accomplished through the reactivation of the Maine Guaranteed Access Reinsurance Association (MGARA) which has been in hiatus since January 1, 2014. Resultant premium savings would directly result in a reduction in premium tax credits provided to Maine residents of the federal government and the premium tax credits would "pass through" or be returned to the program for the purpose of further premium reductions.

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- The economic and actuarial modeling for the program which has been performed by Milliman, Inc. <http://www.maine.gov/pfr/insurance/mgara/Section%201332%20State%20Innovation%20Waiver%20Actuarial%20Analyses%20and%20Certification%20and%20Economic%20Analyses.pdf>

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Please feel free to contact me if there is anything else I can provide which you may find helpful in connection with this proposal.

It is my understanding that you will refer me to the appropriate tribal representative regarding this matter. We look forward to working with the Penobscot Nation. We are open to receipt of written comments from you or would be open to in-person consultation if preferable.

Sincerely,

Thomas M. Record
Senior Staff Attorney
Maine Bureau of Insurance
(207)624-8424
thomas.m.record@maine.gov