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insurance
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Iowa Stopgap Measure

DRAFT

July 13, 2017

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Iowa Stopgap Measure

Executive Overview

To alleviate the collapse of Iowa's individual health insurance market, Iowa is requesting that the Centers for Medicare and Medicaid Services (CMS), the United States Department of Health and Human Services (DHHS), and the United States Department of Treasury consider this request for emergency regulatory relief to provide, at least temporarily, stability to the health insurance market by allowing Iowa to implement the Iowa Stopgap Measure described herein. Iowa requests that the federal government exercise its authority granted by President Trump's Executive Order Minimizing the Economic Burden of the Patient Protection and Affordable Care Act Pending Repeal¹ to **allow Iowa to facilitate the implementation of a reinsurance program, per-member per-month premium credit mechanism, and a standard health benefits plan to be offered to all eligible consumers for the plan year 2018.**

Iowa submits this proposal under the Affordable Care Act (ACA) Section 1332 as an innovation waiver seeking additional federal cooperation and partnership to allow for the creation of a viable commercial health insurance market for 2018 via Iowa's Stopgap Measure. In the alternative, should CMS not find Iowa's Stopgap Measure to be a sufficient Section 1332 waiver, or find that any request within the Iowa Stopgap Measure or parts of requests within the Iowa Stopgap Measure to not be waivable, then Iowa requests that CMS consider this to be a formal request for emergency regulatory relief as permitted by the referenced Executive Order.

With great concern for the estimated 72,000 Iowans covered with individual ACA-compliant health plans in 2017, Iowa devised an innovative solution to reinsure the most vulnerable individuals, which in turn helps control healthcare premium costs and stabilizes the long-term viability of Iowa's individual health insurance market. Approval of Iowa's Stopgap Measure and CMS granting emergency regulatory relief would be an example of a successful state-federal partnership during a time of extraordinary instability in the individual health market – a partnership in which flexibility recognizes the uniqueness of state markets and the accessibility of insurance is preserved for Iowans needing to purchase individual health coverage.

Although the ACA's Medicaid expansion program resulted in additional coverage for nearly 150,000 Iowans, the ACA has caused the individual commercial market to collapse. Because insurers had limited claims data on the uninsured population, many insurers initially underestimated premiums. After 2014, it became apparent that many of the newly insured individuals in Iowa's individual ACA-compliant market were much sicker, older, and more costly than previously estimated. This occurred across the ACA-compliant markets throughout the country, forcing premiums to skyrocket. Iowa's individual ACA-compliant premiums have increased between seventy (70) and one-hundred (100) percent over the first three (3) years of the

¹ <https://www.whitehouse.gov/the-press-office/2017/01/2/executive-order-minimizing-economic-burden-patient-protection-and>

ACA. Consequently, this has resulted in declining enrollment of healthy individuals along with meager uptake by the younger population.

The instability of Iowa's individual ACA-compliant market was first marked with the liquidation of CoOpportunity Health, Inc., which began with an order of rehabilitation on December 23, 2014.² Iowa's individual ACA-compliant market has seen continued instability since that time. On April 25, 2016, UnitedHealthcare notified the Iowa Insurance Division that they would not offer individual ACA-compliant plans in 2017.³

Then, on March 30, 2017, Wellmark, Inc. and Wellmark Health Plan of Iowa, Inc. ("Wellmark") notified the Iowa Insurance Division that they would not offer individual ACA-compliant plans in 2018.⁴ On April 6, 2017, Aetna, Inc. notified the Iowa Insurance Division that it would not offer individual ACA-compliant plans in 2018.⁵ Finally, before Iowa's rate filing deadline, June 19, 2017, Wellmark Value Health, Wellmark Synergy Health and Gundersen Health Plan, Inc. informed the Iowa Insurance Division that they will not offer individual ACA-compliant plans in 2018. On June 19, 2017, Medica filed ACA-compliant plans to be available on the Exchange in all ninety-nine (99) counties.⁶ No other carriers filed rates for 2018 for the individual health insurance market. Significantly, the rates filed by Medica for 2018 have average premium rate increases of forty-three (43) percent over its 2017 rates.

As Medica's silver level plan was already more expensive than that sold by Aetna, individuals that had Aetna plans in 2017 may see actual rates increases of up to 100% in 2018 for a Medica silver tier plan. These anticipated premium rates will likely price out nearly all individuals currently on the individual health insurance market except for those who are fully federally subsidized or those who must incur these steep costs to ensure coverage for their serious illnesses or medical condition. As it is, in 2018, Iowa will no longer function as an individual commercial market and this circumstance is not sustainable.

Federal Authority

CMS has the authority to grant a state innovation waiver under Section 1332 of the ACA to allow the state to pursue innovative strategies to provide the residents with access to high quality, affordable health coverage.⁷ These waivers allow states to implement innovative ways to provide access to quality health care that: 1) is at least as comprehensive and affordable as would be

² <https://iid.iowa.gov/press-releases/insurance-commissioner-places-health-insurer-cooportunity-health-in-rehabilitation>

³ <https://iid.iowa.gov/press-releases/unitedhealthcare-to-leave-certain-iowa-health-insurance-markets-in-2017>

⁴ <https://iid.iowa.gov/press-releases/wellmark-to-leave-iowa%E2%80%99s-aca-health-insurance-market-in-2018>

⁵ <https://iid.iowa.gov/press-releases/commissioner-ommen-statement-regarding-aetna-leaving-iowas-individual-market-in-2018>

⁶ In announcing the filing, Medica noted that a number of "risks remain" with its decision to provide coverage across Iowa, which is why it filed a 43.5 percent rate increase. (Emphasis added). This announcement occurred after Iowa initially presented the Proposed Stopgap Measure to CMS staff on June 7, 2017.

<https://www.medica.com/newsroom/newsroom-home/press-releases/press-releases/2017/06192017-iowa-filing>

⁷ 42 U.S. Code §18052.

provided absent the waiver, 2) provides coverage to a comparable number of residents of the state as would be provided coverage absent a waiver, and 3) does not increase the federal deficit.⁸

As noted above, President Trump issued an executive order instructing the Secretary of the DHHS and the heads of all other executive departments and agencies with authorities and responsibilities under the ACA to “exercise all authority and discretion available to them to provide greater flexibility to States and cooperate with them in implementing healthcare programs.”⁹ A copy of Executive Order 13765 (the “Order”) is attached to this proposal as Appendix A.

President Trump made clear in the Order that he expects his Administration to “take all actions consistent with law to minimize the unwarranted economic and regulatory burdens of the Act, and prepare to afford States more flexibility and control to create a more free and open healthcare market.”¹⁰ Further, the Order grants the Secretary of DHHS the authority and responsibility to “waive, defer, grant exemptions from, or delay the implementation of any provision or requirement of the Act that would impose a fiscal burden on any State or a cost, fee, tax, penalty, or regulatory burden on individuals, families, healthcare providers, health insurers, patients, recipients of healthcare services, purchasers of health insurance, or makers of medical devices, products, or medications.”¹¹

CMS previously displayed its ability to be flexible in its adherence to the provisions of the ACA in its continued extensions of the transitional relief program requested by former President Barack Obama as related to grandmothers plans. CMS created a ‘transitional policy’ allowing for health insurance carriers to continue to offer certain non-compliant ACA policies to existing consumers. This continued policy position demonstrates that CMS does have authority to be accommodating and adaptable in its interpretation and implementation of the ACA.

Description of Iowa’s Stopgap Measure

Iowa requests CMS support in its development and implementation of the Stopgap Measure, which would be available to all eligible Iowa consumers for the plan year 2018. Iowa proposes to provide the following:

- 1) A single, standard plan available to every eligible Iowa consumer from each participating carrier,
- 2) Flat, per-member per-month premium credits based on age and income, and
- 3) A reinsurance program to support high-cost claimants.

According to a recent estimate published by Milliman, Iowans will receive approximately \$194 million in Advanced Premium Tax Credits (APTC) and \$48 million in Cost Sharing Reduction (CSR) payments in 2017. As premiums increase each year, the required funding for APTCs

⁸ https://www.cms.gov/ccio/programs-and-initiatives/state-innovation-waivers/section_1332_state_innovation_waivers-.html

⁹ Executive Order 13765, Section 3.

¹⁰ Executive Order 13765, Section 1.

¹¹ Executive Order 13765, Section 2.

correspondingly increases as premiums are capped for those receiving APTCs. Furthermore, due to Aetna's decision to exit the market and Medica's position as the sole carrier who has filed rates for 2018, the filed standard silver premium plan rates increased significantly from the 2017 rates. As filed, the premium rates for 2018 show an average increase of forty-three (43) percent. Given this increase in premiums, Iowa estimates that the required APTC funding for the 2018 market will be [amount to be determined estimated between \$350 - \$500 million] and the CSR funding to be [amount to be determined].¹²

The Iowa Stopgap Measure would divide the total APTC and CSR funding allocated to Iowa between a reinsurance program and flat, per-member per-month premium credits. In doing so, Iowa will be able to provide an affordable and comprehensive health insurance program that is budget neutral to the federal government and will improve market stability.

[Given the uncertainty at the federal level regarding funding and payment of CSRs, Iowa is unable to finalize the decision on whether to include the CSR amounts as part of its waiver application calculation and whether to request a waiver for pass-through funding of those CSR amounts. The ACA authorized CSR payments, but no appropriation for the funding was made in the statute. Upon a challenge by the House of Representatives, the United States District Court for the District of Columbia held that paying out these reimbursements without any appropriation violated the Constitution. See United States House of Representatives v. Burwell, 185 F. Supp. 3d 165, 174–75 (D.D.C.), appeal held in abeyance, 676 F. App'x 1 (D.C. Cir. 2016). This decision was appealed by the Obama administration, and recently the Trump administration asked for the case to remain stayed for an additional three months while the legislative process played out. However, the current administration continues to make the CSR payments, with the decisions seemingly occurring on a monthly basis. As the recent House and Senate bills were in conflict on CSR payments, it is difficult for Iowa to make a decision regarding whether to request a CSR waiver and further address cost-sharing at this juncture.]

It is unlikely any federal legislative changes to the ACA will be enacted in time to alleviate the collapse of Iowa's individual commercial health insurance market and provide relief to the impacted Iowa consumers for 2018. The rates filed by Medica for 2018 are unsustainable, and will drive more healthy and young people out of the commercial individual health insurance market.

The program described herein would become effective **immediately** upon CMS approval to allow insurance carriers to decide whether to offer the standard plan under the Iowa Stopgap Measure for the 2018 calendar year and for all parties to begin implementation. Any carrier who wishes to participate in the commercial individual health insurance market, including any that may have filed rates for 2018, would only be able to sell the standard plan developed as part of the Iowa Stopgap Measure. Iowa requests that this proposal be granted as soon as possible and be effective for an initial period of **one year** to allow for coverage through December 31, 2018. Iowa requests authority to have the option to request renewal of the program for calendar year 2019 if necessary.

¹² This amount, and any other bracketed information, is contingent upon several factors that will be detailed in the Economic and Actuarial analysis.

Implementation of the Iowa Stopgap Measure under Iowa’s Existing Regulatory Framework

Existing Iowa law and regulations provide considerable authority and flexibility to implement the requested waiver.

First, and most broadly, Iowa Code section 505.8(19) provides Iowa’s Insurance Commissioner with the authority to “propose and promulgate administrative rules to effectuate the insurance provisions of the federal Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, and any amendments thereto, or other applicable federal law.”

Second, and more specifically, Iowa law contains an existing mechanism to design and administer the Iowa Stopgap Measure. In 1996, Iowa developed the individual health benefit reinsurance association (IIHBRA).¹³ IIHBRA was established as part of the Individual Health Insurance Market Reform Act, which was enacted to “promote the availability of health insurance coverage to individuals regardless of their health status or claims experience.”¹⁴ The IIHBRA is a non-profit organization whose work is managed by the board of directors established by the Iowa Comprehensive Health Association (the “Association.”) The Association also facilitates the Health Insurance Program of Iowa (“HIPIOWA”), a state-wide high risk pool.

The board of directors of the Association (the “Board”), with the approval of the Commissioner, is authorized to adopt the form and level of coverage of the standard health benefit plan for the individual market, which is required to provide benefits substantially similar to the current state of the individual market.¹⁵ For calendar year 2018, Iowa is developing a standard plan which will provide benefits substantially similar to those currently offered in the individual health insurance market. The standard plan will be modeled after coverage offered to Iowa consumers in 2017, and the Commissioner will recommend that the Board adopt the standard for 2018. The Commissioner will promulgate rules to set forth eligibility, benefits and other requirements.¹⁶ A listing of the proposed rules is attached as Appendix B.

For 2018, the IIHBRA and Association would utilize pass-through funding of Iowa’s share of federal APTC and CSR payments to supplement an existing reinsurance program and establish a monthly premium credit program for individuals who purchase the standard plan. This mechanism would utilize federal funds as a mechanism to lower premium costs and support a reinsurance program for high claim individuals who purchase the standard plan. While the reinsurance mechanisms for IIHBRA typically involve spreading costs among a number of carriers providing health insurance coverage for individuals, here, the reinsurance will take the form of a program

¹³Iowa Code § 513C.10 - <https://www.legis.iowa.gov/docs/code/513C.10.pdf>.

¹⁴ Iowa Code §§513C.1 and 513C.2 - <https://www.legis.iowa.gov/docs/code/2015/513C.1.pdf>;
<https://www.legis.iowa.gov/docs/code/2015/513C.2.pdf>.

¹⁵ Iowa Code §513C.8 - <https://www.legis.iowa.gov/docs/code/513C.8.pdf>.

¹⁶ Iowa Code §513C.12 - <https://www.legis.iowa.gov/docs/code/513C.12.pdf>.

funded by the federal government and carried out by agreement with Iowa to be run through IHBRA and funded by CMS.

Carriers will price the standard plan based upon the individual's age and rating area, and Iowa will utilize the systems already in place at the Iowa Department of Revenue and the Iowa Department of Human Services to verify income and other eligibility criteria. Premium credit payments will be paid to the carriers from a vendor contracted by the state of Iowa in a similar manner as APTCs are currently paid to carriers by the federal government.

No state funds will be used to fund either the premium credits, reinsurance program, or administration of the Iowa Stopgap Measure. However, as discussed below, additional state departments and resources will be involved in the income and eligibility verification required under the Iowa Stopgap Measure. If CMS does not approve the Iowa Stopgap Measure and thus does not authorize the requested pass-through funding, Iowa will not move forward with the Iowa Stopgap Measure.

Summary of Application and Iowa's Stopgap Measure

Goal of Stopgap Measure

The Iowa Insurance Division developed the Iowa Stopgap Measure to provide temporary stability to the individual health insurance market in Iowa for 2018.

Federal Regulations Requested to be Waived

As an initial matter, and in light of President Trump's Order, Iowa is requesting relief from strict compliance with the Section 1332 waiver requirements. The requirements of Section 1332 present a significant challenge given Iowa's market collapse; the timing requirements alone would prohibit any meaningful relief.

As originally contemplated, Section 1332 is intended to allow states to develop an innovative solution to improve its existing individual health insurance market. The breadth of requirements prohibit it from being applicable as a crisis management mechanism, which Iowa now requires to stabilize its individual health insurance market from collapse. However, CMS has the authority granted to it by President Trump's Order to provide flexibility in its execution of the Section 1332 waiver process. Iowa requests that CMS waive several requirements of Section 1332 in order to allow Iowa to timely implement the program proposed below. Attached as Appendix C is an annotated version of the checklist provided to Iowa by CMS with further explanation and detail regarding Iowa's inability to complete the requirements in time to stabilize its collapsed market for 2018.

In addition to the strict requirements of Section 1332, Iowa is requesting relief from the following provisions of the ACA:

- 26 U.S.C.A. § 5000A (26 I.R.C. § 5000A) to allow Iowa to reinforce the individual mandate provisions with a continuous coverage requirement built into the Iowa Stopgap Measure. In 2018, the standard plan under the Iowa Stopgap Measure will

be available to any and all eligible Iowa consumers. However, Iowa is seeking a continuous coverage requirement for special enrollment periods for 2018.

- *[Similar to the comments above regarding the inclusion of a waiver for pass-through CSR funding, Iowa is similarly undecided on how to address the individual mandate provisions of the ACA in light of the political uncertainty regarding the enforcement of the provision. We note that in February, in response to President Trump's January 20, 2017 Executive Order, the I.R.S. decided to make changes that would continue to allow electronic and paper returns to be accepted for processing in instances where a taxpayer doesn't indicate their coverage status.¹⁷ If individuals are not required to submit this information, it implies that the I.R.S. will not take any affirmative steps to ensure compliance with the mandate. Thus, a waiver of this provision would have no financial impact because no funds would be derived from enforcement of the mandate. Given the uncertainty with the federal legislation, Iowa has not decided whether to formally seek waiver of this provision.]*
- 26 U.S.C.A. § 36B (26 I.R.C. § 36B) to allow Iowa to reallocate the described federal funding into the development of per-member per-month premium credits to lower the monthly premiums for all Iowans who would purchase the standard plan. A portion of these funds would also be allocated to the reinsurance program described in the program to offset the high cost claimants and provide an overall reduction in premium costs.
- 42 U.S.C.A. § 18071 to allow Iowa to reallocate the described federal funding into the development of per-member per-month premium credits to lower the monthly premiums for all Iowans who would purchase the standard plan.
 - *[Please see the comments included above regarding CSR funding as relates to Iowa's outstanding decision as to whether it will request a waiver of this provision.]*
- 42 U.S.C.A. § 18022(d) to allow Iowa to require carriers to only offer a single, standard plan, similar to that of the current silver tier. The plan would be required to have between sixty-eight (68) percent to seventy-two (72) percent actuarial value. Iowa does not seek a waiver of any essential benefit requirement under this section. The waiver is intended only to allow carriers to offer a single plan at the silver tier level.

While additional provisions of the ACA may be affected by the implementation of the Iowa Stopgap Measure, at this juncture Iowa does not anticipate any negative impact on the non-waived provisions.

Background on Iowa's Individual Health Insurance Market

Prior to the ACA, Iowa had a stable individual market with some of the lowest premium levels in the nation. Iowa has a population of just over 3 million people, and nearly sixty-six (66) percent

¹⁷ <https://www.irs.gov/affordable-care-act/individuals-and-families/individual-shared-responsibility-provision>

of Iowans had access to employer-sponsored insurance.¹⁸ Prior to the implementation of the ACA, Iowa had one of the highest health insurance coverage rates in the nation with less than 9.7 percent of its residents being uninsured.¹⁹

It must be said that while under the ACA, the number of uninsured individuals in Iowa has decreased, the number of Iowans actually purchasing policies in the individual market has also decreased.²⁰ This is, in large part, due to the bipartisan, tailored version of the Medicaid expansion implemented by Iowa. The program, known as the Iowa Health and Wellness Plan, provides coverage to nearly 150,000 low-income, childless adults, many of whom were previously uninsured.²¹ However, when the ACA was implemented, many Iowans chose to take advantage of the grandfathered plans that were allowed as part of the ACA and transitional plans which were allowed in response to recommendations from the Center for Consumer Information and Insurance Oversight (CCIIO) and President Obama saying that “if you like your health plan you can keep it.”²² With the strong market pre-ACA, over 85,000 individuals, year after year, have chosen not to enter the Marketplace and remain on their pre-ACA plans.²³

Those individuals who did enroll in the ACA-compliant individual market tended to have a high utilization rate resulting in a more concentrated risk for carriers. This caused significant rate increases in the individual risk pool. For calendar years 2016 and 2017, Wellmark received rate increases of 26.5 and 42.6 percent respectively for its ACA compliant, off Marketplace plans.²⁴ Aetna (formerly Coventry Health Care of Iowa, Inc.) received rate increases of 19.8 and 22.58 percent for the years 2016 and 2017 for its ACA compliant plans on and off the Marketplace.²⁵ The carriers suffered substantial losses even with the continued rise in premium rates.

The liquidation of CoOpportunity Health was the first indication of the instability of the Iowa individual ACA-compliant market. The effects of that liquidation are still impacting the stability of the market in Iowa and continue to compound the problems. Prior to its liquidation, CoOpportunity Health developed the programs pursuant to the federally mandated guidelines under the ACA and entered into loan agreements with the federal government to fund those programs. Despite assurances to the Iowa Insurance Commissioner, DHHS and CMS specifically did not fully fund the risk corridors program for the calendar year 2014, resulting in a debt to CoOpportunity Health of approximately \$130 million, contributing to the failure of CoOpportunity. As of the date

¹⁸ This percentage of health insurance coverage is based on the health insurance market in 2010-2011, available at: <http://www.epi.org/publication/bp353-employer-sponsored-health-insurance-coverage>.

¹⁹ Iowa Insurance Division 2013 calculation.

²⁰ See page 1 of Commissioner Gerhart’s testimony before the U.S. Senate Committee on Homeland Security and Government Affairs Committee at <http://www.hsgac.senate.gov/download/gerhart-testimony>.

²¹ Iowa Department of Human Services, Improve Iowan’s Health Status, p. 3-28 available at: http://dhs.iowa.gov/sites/default/files/15-6_Improve_Health_Status.pdf.

²² <https://iid.iowa.gov/documents/cciio-transitional-plans-letter>.

²³ Iowa Insurance Division numbers through December 31, 2016.

²⁴ Available at: <https://iid.iowa.gov/press-releases/2016-wellmark-iowa-rate-proposal-review-decision> and <https://iid.iowa.gov/press-releases/2017-wellmark-inc-rate-proposal-review-decision>.

²⁵ Available at: <https://iid.iowa.gov/press-releases/2016-coventry-health-care-of-iowa-rate-proposal-review-decision> and <https://iid.iowa.gov/press-releases/2017-aetna-health-of-iowa-rate-proposal-review-decision>.

of this proposal, these funds have not yet been paid by the federal government and Insurance Commissioner Ommen, as liquidator for CoOpportunity Health, has been forced to pursue a claim against the federal government in federal claims court.

CoOpportunity, UnitedHealthcare, Wellmark, and Aetna have all reported very substantial losses in this market. Although legislation is moving, the indecisiveness in the legislative process at the federal level has further debilitated the Iowa individual health insurance market. This uncertainty also prevented Iowa state legislators from enacting legislation during its session that might have supplemented any solutions from the federal level on this issue.

At this critical juncture, given the uncertainty at the federal level and the market conditions discussed above, the individual commercial health insurance market is in collapse. For 2018, the Iowa Insurance Division received a single filing from a health insurance carrier for ACA-compliant plans. Medica filed its intent to offer coverage in all ninety-nine (99) counties, with an average rate increase of forty-three (43) percent. This increase will likely be too expensive for those who are not fully federally subsidized thus driving out young and healthy individuals whose involvement is critical to stabilizing the commercial market. It will leave only those subsidized individuals, as well as consumers who will be forced to incur these costs to ensure they have coverage for serious illnesses or medical conditions.

Iowa developed the Iowa Stopgap Measure to provide temporary stability to the individual health insurance market. The Iowa Stopgap Measure would include a reinsurance program, per-member per-month premium credit mechanism, and a standard health benefits plan to be offered to all eligible consumers for the plan year 2018.

Waiver Proposal

A. Implementation of a Standard Plan

Iowa will require each carrier, as a condition of receiving reinsurance funding through the Iowa Stopgap Measure, to offer the single, standard health benefits plan. The Iowa Insurance Division has engaged in detailed conversations about the Iowa Stopgap Measure with several insurance carriers and anticipates that one or more of these carriers will commit to offering the standard plan as part of its participation in the Iowa Stopgap Measure for 2018.

i. Standard Plan Benefits

Iowa requests relief to allow insurance carriers in the state to sell a single, standard health benefits plan to consumers under the Iowa Stopgap Measure. The standard benefits plan would meet the silver tier requirement of having an actuarial value between sixty-eight (68) percent to seventy-two (72) percent. The single, standard plan will include the essential health benefits required by the ACA as well as all applicable state mandated benefits.²⁶

Given the standard plan as part of the Iowa Stopgap Measure will be in compliance with essential health benefits and the silver tier actuarial value requirements, the federal risk adjustment program can be utilized to facilitate risk adjustment and high-cost risk pooling between carriers. In the

²⁶ 45 C.F.R. §156.110 and Iowa Code §514C.

event that multiple carriers join the Iowa Stopgap Measure in 2018, participating carriers will be required to comply with the federal risk adjustment program as directed through the Federal Notice of Benefit and Payment Parameters.

Once the Iowa Stopgap Measure is approved by CMS, with the exception of the grandfathered and transitional plans, the standard plan as part of the Iowa Stopgap Measure will be the only individual health benefits plan available for carriers and consumers in the 2018 Iowa individual health insurance market. This program would supersede any filings that have been made for carriers to offer coverage in 2018.

ii. Eligibility Requirements and Verification

Any Iowa resident who is eligible may purchase the standard health benefits plan under the Iowa Stopgap Measure. For 2018, the standard plan will be offered on a guaranteed issue basis and will not have any annual or lifetime limits. Individuals who wish to purchase the plan must purchase it during the open enrollment period of November 1, 2017 to December 15, 2017. The standard plan will have a [amount to be determined] deductible for each individual, and a [amount to be determined] deductible for a family. The amount of co-pays associated with the standard plan will be the same regardless of the carrier.

Eligible individuals will purchase the standard plan directly from the participating insurance carriers.²⁷ The Iowa Insurance Division is working with various state departments as well as interested insurance carriers to develop a standard application, similar to CMS' single-streamlined application, which the carriers will use to collect the specific information that can be used to determine eligibility for federal funding under the plan. Electronic and paper applications will be made available by the carriers, who may also sell the standard plan through their existing agent and broker networks.

At this juncture, the application will request information sufficient to establish the following:

- That the individual is an Iowa resident;
- That the individual is a citizen or national of the United States, or is considered an alien lawfully present;
- That the individual is not eligible for Medicare, Medicaid, or CHIP;
- That the individual does not receive minimal essential coverage; and
- That the individual for whom insurance is being sought is not currently incarcerated.

The individual will be required to submit the projected 2017 income for themselves and any eligible taxpayer in the household. The applicant will be required to provide an attestation that the information submitted is correct and accurate subject to penalty of perjury.

[More specific details about the eligibility requirements and eligibility verification will be forthcoming, as Iowa continues to engage in discussions with CMS on these requirements and processes. Iowa is working to develop these processes in a way which will be administratively

²⁷ At this time, it is anticipated that interested consumers will be available to view information regarding which carriers are offering the standard plan in their counties via the HIPIOWA website.

feasible given the emergency timeframe as well as provide coverage to as many Iowa consumers as possible in the circumstances. The Iowa Insurance Division is also continuing to work with the other state agencies discussed herein to develop eligibility verification systems.]

The information provided by the applicant will be subject to verification, which will be completed electronically by various state agencies in conjunction with the participating carriers and a third-party vendor. An individual will be permitted to begin coverage upon submitting a completed attested application. Subsequent data-matching will be completed by state agencies and the vendor to determine eligibility and individuals may be prospectively terminated if they are determined to be ineligible. There will be no retroactive accounting to the insurance carriers for premium credits or reinsurance allocations for individuals terminated based on ineligibility for the program after the completion of such data matching.

While the specific details regarding data sharing have yet to be finalized, it is anticipated that these departments will utilize their current systems to perform the verification. However, as part of this Iowa Stopgap Measure, Iowa requests that these agencies are allowed to expand their current agreements with applicable federal agencies to verify information for individuals wishing to enroll in the Iowa Stopgap Measure. While the state systems will have the procedure to perform the verification, they will check the information against several federal databases, including those at the Social Security Administration.

The Iowa Insurance Division and the Association, through HIPIOWA, will provide information to consumers regarding which carriers are selling a standard health benefits plan through the Iowa Stopgap Measure in which counties. A consumer will be able to purchase from any carrier selling the Iowa Stopgap Measure standard plan in their county of residence, and can contact the carrier directly to receive information on the monthly premium costs, prescription coverage, and provider network. Consumers may also be able, depending on the carrier, to work with a local agent or broker to purchase the plan.

iii. Special Enrollment Period Eligibility

The carriers who sell the standard health benefits plan under the Iowa Stopgap Measure would allow for enrollment outside of the open enrollment period if the individual seeking health insurance coverage would apply for one of the special enrollment periods as follows:

- Loss of qualifying health coverage as defined in 45 C.F.R. §155.420(d)(1);
- Change in household size due to marriage, adoption, birth, divorce, legal separation, or death;
- Change in primary place of living as defined in in 45 C.F.R. §155.420(d)(7);
- Loss of eligibility for Medicaid or the Children's Health Insurance Program;
- Gaining membership in a federally recognized tribe or status as an Alaskan Native Claims Settlement Act Corporate shareholder;
- Leaving incarceration;
- Change in citizenship status; or
- Related to domestic abuse or spousal abandonment requiring new coverage.

To qualify for a special enrollment period, an individual must show that he or she has not been without minimum essential coverage for more than sixty-three (63) days in the immediately preceding twelve (12) months. The continuous coverage requirement will not be enforced for a special enrollment period arising from one of the following qualifying events: birth, adoption, gaining membership in a federally recognized tribe or status as an Alaskan Native Claims Settlement Act Corporate shareholder, and a change in citizenship status.

[As with the eligibility requirements discussed above, the Iowa Insurance Division continues to work with CMS to finalize eligibility and verification requirements for a special enrollment period. Consumers will be encouraged to enter the market during open enrollment, as access to special enrollment periods is intended to be limited. All eligible consumers who purchase during open enrollment will begin coverage effective January 1, 2018, and coverage will be provided guaranteed issue.]

Individuals who seek enrollment via a special enrollment period will apply directly with one of the insurance carriers who have agreed to offer the standard health benefits plan developed for the Iowa Stopgap Measure. While the individual will be required to provide an attestation regarding the circumstances for which they require a special enrollment period, the individual may also be required to submit documentary evidence in support.

B. Age and Income-based Premium Credits

Iowa requests to use part of its share of the proposed federal funding to provide age and income based premium credits to eligible Iowa consumers who purchase the standard plan. Iowa proposes to use *[amount to be determined]* of the total *[amount to be determined between \$350 - \$500 million]* in APTC funding and *[amount to be determined]* of CSR funding to be used to provide per-member per-month flat premium credits. The total amount of APTC and CSR funding will depend on the number of individuals who enroll in the Iowa Stopgap Measure.

All individuals who purchase the standard plan will be allotted a monthly premium credit that will be paid directly to the carrier to lower the individual's monthly premium costs. The premium credit will be a defined flat dollar credit based on projected 2017 household income, as a percentage of federal poverty level ("FPL"), and the individual's age. The household income for each individual and/or family will be provided as part of the application, and will be verified by the Iowa Department of Revenue.

The Iowa Insurance Division will work with a third-party vendor to determine the amount of premium credit for an individual based on their age and income. No federal funds will be paid directly to the consumer, as payments will be made directly to the carriers to lower the individuals' monthly premium costs. Carriers will then bill the consumer for the remainder of the monthly premium cost, after the flat monthly credit has been applied.

The tables below serve as an **example** of how the age and income monthly premium credits would be applied but do not necessarily reflect the final amounts.

Age	FPL	Flat Monthly Credit
0-20	133% - 150%	\$250
0-20	150% - 200%	\$221
0-20	200% - 250%	\$162
0-20	250% - 300%	\$103
0-20	300% - 400%	\$44
0-20	>400%	\$24

Age	FPL	Flat Monthly Credit
21-34	133% - 150%	\$336
21-34	150% - 200%	\$297
21-34	200% - 250%	\$217
21-34	250% - 300%	\$138
21-34	300% - 400%	\$59
21-34	>400%	\$32

Age	FPL	Flat Monthly Credit
35-44	133% - 150%	\$398
35-44	150% - 200%	\$351
35-44	200% - 250%	\$257
35-44	250% - 300%	\$164
35-44	300% - 400%	\$70
35-44	>400%	\$37

Age	FPL	Flat Monthly Credit
45-54	133% - 150%	\$554
45-54	150% - 200%	\$489
45-54	200% - 250%	\$391
45-54	250% - 300%	\$326
45-54	300% - 400%	\$228
45-54	>400%	\$65

Age	FPL	Flat Monthly Credit
55+	133% - 150%	\$828
55+	150% - 200%	\$760
55+	200% - 250%	\$702
55+	250% - 300%	\$643
55+	300% - 400%	\$556
55+	>400%	\$117

While the flat monthly credit will be the same for each carrier participating in the Iowa Stopgap Measure, the amount of monthly premium rates may vary by carrier. These monthly premiums may vary depending on the individual's age and rating area. Attached as Appendix D is a more detailed description of the proposed subsidy program as relates to the various age and income brackets. The table is provided merely as an **example**, and does not reflect filed and/or approved premium rates as of the date of this application.

C. Reinsurance

Iowa proposes to utilize a portion of its share of federal funding to supplement its existing reinsurance program. Iowa's proposed reinsurance program will reimburse the carriers for high cost individuals who incur claims greater than \$100,000 on an annual basis; an attachment point set to control the costs of premiums for all consumers.

The program will provide eighty-five (85) percent coinsurance protection for claims between \$100,000 and \$3,000,000. By having a \$100,000 initial attachment point, carriers are forced to be actively engaged in successful care management to drive down costs. And, as part of this reinsurance program, carriers will be required to agree to care management protocols.

Additionally, this program will operate in conjunction with the Federal High-Cost Risk Pooling Program, which provides federal reinsurance at an attachment point of \$1,000,000 with coinsurance payments of sixty (60) percent. Accordingly, for claims between \$1,000,000 and \$3,000,000, the Iowa Stopgap Measure will provide coinsurance of twenty-five (25) percent, which when combined with the Federal High-Cost Risk Pooling Program will total eighty-five (85) percent total coinsurance protection. Once an individual claim reaches \$3,000,000, the Iowa Stopgap Measure will provide the carrier one-hundred (100) percent coinsurance protection. We anticipate that the Iowa Stopgap Measure will coordinate reinsurance reimbursement with the Federal High-Cost Risk Pooling Program (FHCRP), to the extent adequate funding for the FHCRP exists, with sixty (60) percent from the FHCRP, and forty (40) percent coinsurance from the Iowa Stopgap Measure. In the event sufficient funding for the FHCRP does not exist to contribute the sixty (60) percent share, any shortfall shall be paid to the carriers from funding for the Iowa Stopgap Measure.

This level of reinsurance above \$3,000,000 in annual claims is necessary to protect consumers from having to subsidize the costs of catastrophic claims. By providing reinsurance at this level, carriers are able to keep consumers from paying increased premiums due to catastrophic claimants.

Iowa will engage with a third-party vendor to facilitate the reinsurance program. It is anticipated that a third-party vendor will annually review the claims information from the carriers. Claims information will be submitted to the vendor for purposes of this review consistent with Edge Server submission requirements currently in place for ACA risk adjustment determinations pursuant to 45 C.F.R. 153710(a) and implementing guidance released by HHS. The vendor will determine the reinsurance amounts to be paid to the carriers once the designated attachment points are reached. These payments would be made annually consistent with the existing federal reinsurance verification and payment process as provided in the ACA and its enabling regulations.

Iowa estimates funding for this to be approximately [*amount to be determined*] of the total [*amount to be determined between \$350 - \$500 million*] in APTC funding and [*amount to be determined*] of CSR funding, although results may vary based on the actual enrollment count and experience of the population enrolled. With the guarantee of reimbursement at these levels, premium rate increases will be substantially lower than without this guaranteed reimbursement.

The Iowa Stopgap Measure Meets the Scope of Coverage Comparability Requirements of Section 1332(b)(1)(A)

The Iowa Stopgap Measure will provide coverage for all of the essential health benefits as defined in 45 C.F.R. § 156.110. It will also provide coverage for all of the state mandated benefits found in Iowa Code §514C. Further, the standard plan under the Iowa Stopgap Measure is designed to meet the current silver tier requirement of between sixty-eight (68) percent to seventy-two (72) percent actuarial value.

As the standard benefit provides coverage for all of the essential health benefits required by 42 U.S.C.A. § 18022(b), it meets the requirement of Section 1332(b)(1)(A) of providing coverage at least as comprehensive as that currently offered on the Exchange.

The Iowa Stopgap Measure Meets the Scope of Affordability Requirements of Section 1332(b)(1)(B)

Section 1332(b)(1)(B) requires that the proposed plan provide “coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as the protections of this title would provide.” Under the Iowa Stopgap Measure, the consumer would receive a flat, monthly premium credit based on their age and income. These premium credits will be paid directly to the insurance carrier to lower the monthly premium costs that an Iowa consumer is required to pay. The reinsurance program is designed to not only offer support for high cost claimants, but lower the overall premium costs to all consumers.

While the Iowa Stopgap Measure does reflect a rate increase over the 2017 lowest cost silver plan, this is due in large part to Aetna’s having the second lowest-cost silver plan for 2017 and their withdrawal for the Marketplace for 2018.

As noted above, there is one carrier who filed an intent to offer ACA-compliant plans in 2018. Medica’s filed premium rates reflect an increase of an additional forty-three (43) percent. Given this increase and the increase attributable to Aetna’s departure, premium rates may double for many consumers who wish to purchase individual health insurance on the Marketplace for 2018.

[Iowa is currently conducting an economic analysis to explore the affordability of the market for 2018 under Medica’s filed rates compared to the 2018 individual health insurance market with the Iowa Stopgap Measure. Iowa anticipates that the economic analysis will also discuss the impact of the current 2018 ACA market on larger market stability concerns for 2019 as compared to the Iowa Stopgap Measure 2018 market.]

Critically, thousands of Iowans purchased ACA-compliant off-Exchange plans and do not receive federal subsidies. These individuals, along with other unsubsidized consumers purchasing on-Exchange plans, will be dramatically impacted by this increase, and will likely be driven from the market with a disproportionate departure of additional healthy and young individuals. Some of these individuals may try to become eligible for subsidies by managing their income down, leaving their current employment, or using a structured divorce. All of these options will not only have a direct impact on these individual's financial condition and autonomy, but would impact Iowa's economy.

It is also likely that unsubsidized Iowans currently in the individual health insurance market will not purchase coverage in 2018 but instead seek care through emergency rooms. Although Iowa does not have estimates on the costs of uncompensated care, the impact will negatively impact the healthcare sector and a general reduction in the economic conditions for consumers, through increased premiums, and for business, through less consumer spending.

[Iowa expects that the economic analysis will demonstrate that the Iowa Stopgap Measure 2018 market will be more affordable for the majority of impacted Iowa consumers than the current 2018 ACA market. Iowa will provide the results of the economic analysis when completed.]

The Iowa Stopgap Measure Meets the Availability Requirement of Section 1332(b)(1)(C)

The Iowa Stopgap Measure would be available to any eligible Iowa consumer in 2018. The eligibility criteria used for the Iowa Stopgap Measure are modeled after those currently utilized by CMS for the ACA, and thus would not exclude additional individuals.

[As part of the economic analysis that is in progress, Iowa is studying the number of the individuals that may be enrolled in the ACA individual health insurance market in 2018 through Medica as compared to the number of individuals that would enroll in the individual health insurance market in 2018 under the Iowa Stopgap Measure. Iowa is working to understand the impact of the individual health insurance market in 2018 under the proposed rates filed by Medica for 2018, including the impact on participation on the approximately 30,000 Iowans who do not currently receive any federal subsidies. The coverage for this same population will also be considered under the Iowa Stopgap Measure 2018 market.]

Iowa is also analyzing the impact of the continuous coverage requirements for the special enrollment periods as proposed above on the availability of coverage. Specifically, Iowa is exploring the consequences on coverage when using a more streamlined administrative approach for special enrollment periods. Iowa anticipates that more specific information on this section will be provided upon conclusion of the economic analysis.]

The Iowa Stopgap Measure Meets the Deficit Neutrality Requirement of Section 1332(b)(1)(D)

The Iowa Stopgap Measure will not increase the federal deficit, as it reallocates the funds payable to Iowa consumers under the ACA via the existing APTC and CSR funding mechanisms. No new, additional funding is requested from the federal government to support the Iowa Stopgap Measure.

Description of Post-Stopgap Measure Marketplace

Individual Health Insurance Market

Approval of the Iowa Stopgap Measure, at its most fundamental level, will restore the individual health insurance market. Without the implementation of this program, the substantial risk of no individual health insurance coverage for 72,000 Iowans remains.

Small and Large Employers

The Iowa Stopgap Measure does not affect health insurance available to Iowa residents through their small and large employers.

Medicare and Medicaid

The Iowa Stopgap Measure does not affect health insurance available under Medicare or Medicaid. However, individuals who are currently eligible for Medicaid but have chosen to purchase ACA-compliant plans off-Exchange will not be eligible for the standard plan.

Number of Employers Offering Coverage Pre/Post Waiver

The Iowa Stopgap Measure will not affect the number of employers offering health insurance coverage in Iowa.

Impact on Individuals Needing Health Care Services Out-of-State

The Iowa Stopgap Measure is intended to increase the number of carriers participating in the individual commercial health insurance market, which will allow consumers access to different networks based on the carrier they select for coverage. Carriers will provide consumers with details about cost-sharing requirements for in- and out-of-network providers. The Iowa Stopgap Measure itself contains no provisions or restrictions regarding out-of-state services.

Administrative Burden

Under the Iowa Stopgap Measure, Iowa anticipates that the participating health insurance companies will see a slight increase in their respective administrative burdens. Initially, there will be administrative requirements to set up the standard health benefits plan, including the development of an application as it will not be sold via the Exchange. The Iowa Insurance Division will work with the carriers to develop a standard application for all consumers, which will be modeled after the single streamlined application used by the Iowa Department of Human Services and previously approved by CMS. The participating insurance carriers will be required to work

with the Iowa Department of Revenue and the Iowa Department of Human Services to verify the consumer's stated income and ensure they meet other non-financial eligibility requirements.

The Iowa Insurance Division will engage a third-party vendor to facilitate eligibility determinations, coordinate the premium credit payments, and reinsurance program.

The Iowa Stopgap Measure should not increase the administrative burden for CMS and the federal government once the Iowa Stopgap Measure has been approved and implemented.

Ensuring Compliance, Reducing Waste and Fraud

The Iowa Insurance Division will ensure that all parties, including insurance carriers and the third-party vendor follow all reporting and other requirements.

As discussed above, income and other eligibility criteria will be verified by the Iowa Department of Revenue and Iowa Department of Human Services to ensure that the consumers enrolled in the Iowa Stopgap Measure meet the eligibility requirements and that the appropriate premium credit is apportioned for each consumer.

Budget Neutrality

The Iowa Stopgap Measure, as described above, would be an appropriation of funds already allocated to Iowans under the ACA, and thus would be federally budget neutral.

Development and Implementation Timeline

The Iowa Insurance Division was tasked by Governor Kim Reynolds to develop a solution to address the collapse of Iowa's individual health insurance market. The Iowa Insurance Division, in conjunction with several insurance carriers, developed the Iowa Stopgap Measure. Iowa is seeking implementation of the Iowa Stopgap Measure as soon as CMS is able to give approval such that the Iowa Stopgap Measure can be implemented so that Iowa consumers will have coverage available starting January 1, 2018.

Included below is a timeline of the development and implementation of the Iowa Stopgap Measure.

Date	Action
June 7, 2017	Proposed Stopgap Measure presented to CMS by the Iowa Insurance Division
June 12, 2017	Proposed Stopgap Measure publicly announced by the Iowa Insurance Division
June 12, 2017	Iowa Insurance Division begins accepting written and verbal comments on the Proposed Stopgap Measure.
July 13, 2017	Formal Public Notice and Tribal Notice & Comment Period Begins. A copy of the Public Notice is attached as Appendix E. The Public Notice was posted on the Iowa Insurance Division's web site and distributed to various news outlets.
July 19, 2017	Public Hearing to be held in Council Bluffs, Iowa
To be determined	Tribal consultation
August 2, 2017	Public Hearing to be held in Des Moines, Iowa
August 10, 2017	Public Hearing to be held in Cedar Rapids, Iowa
August 14, 2017	End of Public and Tribal Notice & Comment Period
Planned date of August 18, 2017	Iowa Insurance Division submits final §1332 waiver proposal to CMS
To be determined	Carriers to submit rate and form filings
To be determined	Iowa Insurance Division completes review of rate and form filing
November 1, 2017 – December 15, 2017	Open Enrollment Period

During the period between August and October, it is anticipated that the Iowa Insurance Division will be working with interested carriers to finalize the standard application and enrollment processes. The Iowa Insurance Division will coordinate enrollment verification processes with the participating carriers and enrollment verification systems in use at other state agencies.

The Iowa Insurance Division will provide education on the Iowa Stopgap Measure and the coverage available under the standard plan. The participating carriers will provide their agents and brokers with education on the plan, its benefits, and the eligibility requirements.

Reporting Responsibilities

As required under 45 CFR 155.1308(f)(4), the Iowa Insurance Division, with support from the third party vendor, will submit quarterly, annual, and cumulative targets for the scope of coverage requirement, the affordability requirement, the comprehensive requirement, and the federal deficit requirement.

Conclusion

While the long-term goal is, and should continue to be, a permanent solution to ensure market stability, in the short term there needs to be a true market for Iowans to purchase affordable

individual health insurance for 2018. To that end, Iowa developed the Iowa Stopgap Measure to temporarily stabilize the individual health insurance market for 2018.

To ensure that participating insurers are able to properly implement the Iowa Stopgap Measure, Iowa respectfully requests that CMS consider this proposal in a timely fashion. Iowa is prepared to engage with CMS on this proposal in any way necessary to ensure its prompt review and acceptance.

Iowa has a history of a strong health insurance market, and when left to its own devices, we are confident that we can do this again. The anticipated premium rates for 2018 will price out all individuals currently on the individual health insurance market except for those who are fully federally subsidized or those who must incur these steep costs to ensure coverage for their serious illnesses or medical condition. This is not a commercial insurance market. This is not sustainable. This is unacceptable. Iowa needs flexibility and support from DHHS, Treasury, and CMS to implement the Iowa Stopgap Measure.

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APPENDIX A

President Donald Trump's January 20, 2017 Executive Order

Presidential Documents

Executive Order 13765 of January 20, 2017

Minimizing the Economic Burden of the Patient Protection and Affordable Care Act Pending Repeal

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. It is the policy of my Administration to seek the prompt repeal of the Patient Protection and Affordable Care Act (Public Law 111–148), as amended (the “Act”). In the meantime, pending such repeal, it is imperative for the executive branch to ensure that the law is being efficiently implemented, take all actions consistent with law to minimize the unwarranted economic and regulatory burdens of the Act, and prepare to afford the States more flexibility and control to create a more free and open healthcare market.

Sec. 2. To the maximum extent permitted by law, the Secretary of Health and Human Services (Secretary) and the heads of all other executive departments and agencies (agencies) with authorities and responsibilities under the Act shall exercise all authority and discretion available to them to waive, defer, grant exemptions from, or delay the implementation of any provision or requirement of the Act that would impose a fiscal burden on any State or a cost, fee, tax, penalty, or regulatory burden on individuals, families, healthcare providers, health insurers, patients, recipients of healthcare services, purchasers of health insurance, or makers of medical devices, products, or medications.

Sec. 3. To the maximum extent permitted by law, the Secretary and the heads of all other executive departments and agencies with authorities and responsibilities under the Act, shall exercise all authority and discretion available to them to provide greater flexibility to States and cooperate with them in implementing healthcare programs.

Sec. 4. To the maximum extent permitted by law, the head of each department or agency with responsibilities relating to healthcare or health insurance shall encourage the development of a free and open market in interstate commerce for the offering of healthcare services and health insurance, with the goal of achieving and preserving maximum options for patients and consumers.

Sec. 5. To the extent that carrying out the directives in this order would require revision of regulations issued through notice-and-comment rule-making, the heads of agencies shall comply with the Administrative Procedure Act and other applicable statutes in considering or promulgating such regulatory revisions.

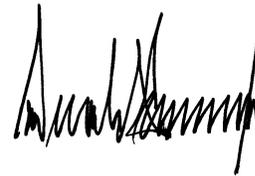
Sec. 6. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

A handwritten signature in black ink, appearing to be the signature of Donald Trump, located in the upper right quadrant of the page.

THE WHITE HOUSE,
January 20, 2017.

APPENDIX B

CHAPTER 82

IOWA STOPGAP MEASURE

191-82.1 (505, 513C, 514E) Purpose. This Chapter is intended to establish a temporary health program providing for a single, standard individual health insurance plan available to eligible residents, premium credits based on age and income and a reinsurance program to support the costs of high-cost claimants. The operations of this Iowa Stopgap Measure shall be facilitated by the Iowa Individual Health Benefit Reinsurance Association and the Iowa Comprehensive Health Association pursuant to the powers and authority afforded to the associations and commissioner under Iowa Code sections 513C.10 and 514E.2.

191-82.2 (505, 513C, 514E) Definitions

“Benefit year” means a period of time in which health benefits are to be provided, beginning January 1 and ending December 31.

“Eligible consumer” means a federal tax filer or federal tax dependent who meets the following criteria:

- a.* Is a resident of Iowa;
- b.* Is a citizen or national of the United States, or is considered an alien lawfully present;
- c.* Is not eligible for Medicaid, CHIP, or Medicare;
- d.* Does not receive minimum essential coverage; and
- e.* Is not incarcerated.

“Eligible health carrier” means any health insurer who the commissioner approves to offer the Iowa Stopgap Measure.

“Family size” shall be equal to the number of individuals for whom the taxpayer is allowed a federal deduction for the 2017 taxable year.

“Household Income” means an amount equal to the sum of:

- a.* The 2017 income of the tax filer, plus
- b.* The 2017 income of all other individuals who:
 - (1) Were taken into account in determining the individuals’ family size, and
 - (2) Are required to file a tax return in 2017.

“Iowa Comprehensive Health Association” means the association established by Iowa Code § 514E that may also be referred to herein as “HIPIOWA.”

“Iowa Individual Health Benefit Reinsurance Association” means the association established by Iowa Code §513C.10 that may also be referred to herein as “IIHBRA”.

“Minimum essential coverage” has the meaning given in 26 U.S.C.A. §5000A(f).

“Tax filer” means an individual or married couple who indicates that he, she, or they expect to:

- a. File an income tax return for 2017, whether individually or jointly; and
- b. That no other tax filer can claim him or her as a dependent for 2017.

“Tax dependent” has the same meaning as defined in 26 U.S.C. §152.

“Standard plan” means the group of individual health benefits developed and offered to all eligible consumers under the Iowa Stopgap Measure.

191-82.3(505, 513C, 514E) Authority to request waiver. The commissioner may, on behalf of the State of Iowa, apply to the United States Secretary of Health and Human Services and the United States Secretary of the Treasury under 42 U.S.C. §18052 for the waiver of applicable provisions of P.L. 111-148 (Patient Protection and Affordable Care Act) with respect to health insurance coverage for a plan year beginning on or after January 1, 2018. The commissioner may implement a state plan meeting the waiver requirements in a manner consistent with state and federal law and as approved by the United States Secretary of Health and Human Services and the United States Secretary of the Treasury.

191-82.4 (505, 513C, 514E) Funding. The Iowa Stopgap Measure shall be funded by Centers for Medicare and Medicaid Services (CMS). If no funding or an insufficient amount of funding is received from CMS, the Iowa Stopgap Measure shall not be established. If funding for the Iowa Stopgap Measure is insufficient to completely fund all premium credits and reinsurance program, a carrier participating in the Iowa Stopgap Measure may cancel and non-renew a standard policy issued thereunder by giving thirty (30) days written notice of cancellation to the consumer.

191-82.5 (505, 513C, 514E) These rules are adopted pursuant to the general rule making authority of the insurance commissioner in Iowa Code 505, 513C, and 514E to establish the Iowa Stopgap Measure.

191-82.6 (505, 513C, 514E) This Chapter and the definitions and rules set forth herein shall apply only to the Iowa Stopgap Measure.

191-82.7 (505, 513C, 514E)

- a. Pursuant to Iowa Code §513C.10 and §514E.2(3), the Iowa Individual Health Benefit Reinsurance Association and the Iowa Comprehensive Health Insurance Association shall develop an amendment to their plans of operation that:
 - (1) establishes a procedure for implementation of the Iowa Stopgap Measure as set forth in the State of Iowa’s Section 1332 waiver;
 - (2) sets forth the benefits, deductible, and cost-sharing amounts for the standard plan to be offered; and
 - (3) undertakes, directly or through contracts with other persons, the procedure for implementation of the Iowa Stopgap Measure.
- b. The amendments are subject to review and approval by the commissioner.

191-82.8 (505, 513C, 514E) Eligibility Determination.

82.8(1) Any individual purchasing the standard plan offered by the Iowa Stopgap Measure must provide to the eligible health carrier:

- a.* The name, address, date of birth, and social security number for each individual for whom coverage is sought;
- b.* In the case of an individual whose eligibility is based on an attestation of the individual's legal immigration status, the individual's social security number (if applicable) and identifying information, including document numbers, with respect to the enrollee's legal immigration status;
- c.* The individual's 2017 household income;
- d.* If an individual is employed and the employer does not offer minimum essential coverage, the individual must provide:
 - (1) the name, address, and employer identification number (if applicable) of the employer;
 - (2) whether the individual is a full-time employee; and
 - (3) information demonstrating that the employer plan does not meet the requirements for minimum essential coverage as defined herein.
- e.* Consent for information to be provided to any necessary state or federal agencies and third party entities contracted by state or federal agencies for the purpose of determining whether an individual is an eligible consumer; and
- f.* An attestation that the information submitted by the individual is true, correct, and complete subject to penalty of perjury.

82.8(2) Any person or entity who receives information provided by an individual under this Chapter, or receives information from a state or federal agency related to this information shall use the information only for the purposes of, and to the extent necessary in, ensuring the efficient operation of the Iowa Stopgap Measure, including premium credit verification and enrollment eligibility verification.

82.8(3) An individual is not required to submit information about his own regarding citizenship status, including a social security number, or immigration status as part of the application process if the individual is not seeking coverage for himself and is only seeking coverage for another individual or individuals.

82.8(4) In the event individuals are enrolled following submission of a completed attested application and through subsequent data matching are determined to not be eligible for the standard plan, the standard plan for such individuals may be prospectively terminated by the carrier.

191-82.9 (505, 513C, 514E) Covered benefits.

82.9(1) The standard plan shall provide the following benefits:

- a.* All essential health benefits set forth in 45 C.F.R. § 156.110, and
- b.* Benefits set forth in Iowa Code §514C.

82.9(2) The standard plan shall have an actuarial value between 68 percent and 72 percent.

191-82.10 (505, 513C, 514E) Enrollment.

82.10(1) For calendar year 2018, eligible consumers who wish to enroll in the Iowa Stopgap Measure must purchase the standard plan during open enrollment between November 1, 2017 and December 15, 2017.

82.10(2) November 1 through December 15 shall be the open enrollment period for any future years should the Iowa Stopgap Measure be renewed by the commissioner and CMS.

82.10(3) Individuals who qualify for one of the Special Enrollment Periods defined in subrule 82.11 below may enroll in the Iowa Stopgap Measure if they meet the requirements described in subrule 82.8.

191-82.11 (505, 513C, 514E) Special Enrollment Periods

82.11(1) An individual may purchase the standard plan outside of the defined open enrollment period via a special enrollment period when they experience one of the following qualifying events:

- a.* Loss of qualifying health coverage as defined in 45 C.F.R. §155.420(d)(1) ;
- b.* Change in household size due to marriage, adoption, birth, divorce, legal separation, or death;
- c.* Change in primary place of living as defined in 45 C.F.R. §155.420(d)(7);
- d.* Loss of eligibility for Medicaid or the Children’s Health Insurance Program (CHIP);
- e.* Gaining membership in a federally recognized tribe or status as an Alaskan Native Claims Settlement Act Corporation shareholder;
- f.* Leaving incarceration;
- g.* Change in citizenship status; or
- h.* Related to domestic abuse or spousal abandonment requiring new coverage.

82.11(2) To qualify for a special enrollment period, an individual must demonstrate that he or she has not been without minimum essential coverage for more than 63 days in the immediately preceding 12 months.

82.11(3) Individuals qualifying for a special enrollment period due to a birth, adoption, gaining membership in a federally recognized tribe or status as an Alaskan Native Claims Settlement Act Corporation shareholder, or due to a change in citizenship status will not be required to meet the qualifications of subrule 82.11(2).

82.11(4) An individual seeking to purchase the standard plan during a special enrollment period may be required to submit documentation to verify eligibility for the Iowa Stopgap Measure.

191-82.12 (505, 513C, 514E) Rate Schedule and Premium Credits

82.12(1) Premium rates charged by the eligible health carrier under the Iowa Stopgap Measure shall vary based on the following:

- a.* The individual's age, except that such rate shall not vary by more than 3 to 1 for adults as set forth in 45 C.F.R. 147.102(a)(1)(iii); and
- b.* The individual's rating area, as set forth in 45 C.F.R. 147.102(a)(1)(ii) and using Iowa rating areas currently in use and approved by CMS on April 1, 2013.

82.12(2) Premium credits based on age and income will be available to any eligible individual who purchases the Iowa Stopgap Measure.

82.12(3) A per-member per-month premium credit will be allocated to an eligible individual based on a combination of their age and 2017 household income as a percentage of the federal poverty line.

82.12(5) The value of the monthly per-member per-month premium credits shall be set forth in the State of Iowa's Section 1332 waiver application.

82.12(6) The monthly premium credit amount for an eligible individual will remain the same for the entire benefit year.

191-82.13 (505, 513C, 514E) Reinsurance Program

82.13(1) The Iowa Stopgap Measure will coordinate reinsurance reimbursement with the Federal High-Cost Risk Pooling Program (FHCRP), to the extent adequate funding for the FHCRP exists. Subject to the availability of sufficient FHCRP funding, reinsurance shall be available for eligible health carriers for eligible consumer claims incurred during the 2018 benefit year at the following amounts:

- a.* For claims that are greater than \$100,000 and up to \$1,000,000, the Iowa Stopgap Measure program will reimburse 85 percent.
- b.* For claims that greater than \$1,000,000 and up to \$3,000,000, the Iowa Stopgap Measure program will reimburse 25 percent.
- c.* For claims that are greater than \$3,000,000, the Iowa Stopgap Measure program will reimburse 40 percent.
- d.* In the event sufficient funding for the FHCRP does not exist to contribute the sixty (60) percent share, any shortfall shall be paid to the carriers from funding for the Iowa Stopgap Measure.

82.13(2) Reinsurance payments will be paid to the eligible health carrier in the time and manner defined by the amendment to the plan of operations developed by HIPIOWA as described herein. The amendment to the plan of operations shall also include a description of the data a health care insurer submitting a reinsurance payment must provide and the manner and time period in which such data should be provided.

82.13(3) The reinsurance program will not supersede any payments made pursuant to the FHCRP

as set forth in the HHS Notice of Benefit and Payment Parameters for 2018.

191-82.14 (505, 513C, 514E) The Iowa Stopgap Measure shall provide coverage to enrollees through December 31, 2018, unless the commissioner and CMS renew the program.

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Appendix C : Checklist for Section 1332 State Innovation Waiver Applications – Iowa Comments

	DHHS Citation & Description	DHHS Comments	Iowa Comments
1	<p>45 CFR 155. 1308(a),(b), (c), (d)</p> <p>Submit application States should submit application with enough time to allow for an appropriate implementation timeline</p>	<p>E-mail applications to: StateInnovationWaivers@cms.hhs.gov.</p> <p>Note that DHHS/Treasury will conduct a preliminary review of the application for completeness within 45 days of receipt of the application. The final decision of DHHS/Treasury will be issued no later than 180 days after the application completeness determination is made.</p>	<p>Iowa has concerns about the length of time DHHS may take to review its proposal. Iowa also has concerns that the staff reviewing the proposal may not have been part of the conversations with DHHS senior level management and may take a ‘strict interpretation’ of the 1332 waiver requirements. Iowa requests DHHS provide feedback within 14 days and requests that those staff who may review this proposal to have been apprised of the conversations with DHHS senior level management.</p>
2	<p>45 CFR 155.1308(f)(2)</p> <p>Written evidence of the State’s compliance with the public notice and comment requirements, set forth in 45 CFR 155.1312.</p>	<p>Include:</p> <ol style="list-style-type: none"> 1. A copy of the web page and/or notice that was posted. The notice must include a comprehensive description of the Section 1332 waiver application, where the application is available, how to submit written comments, and the timeframe to submit comments (minimum of 30 days). The notice should include the location, date, and time of public hearings. 2. Report on the issues raised during the public comment process. 	<p>Iowa intends to comply with this section after receiving the feedback requested from DHHS in #1 above. Given the quick turn-around time needed to successfully implement this proposal, Iowa cannot wait for completion of the 30-day public comment period to provide this information to DHHS. Iowa will provide all documentation requested in this section.</p>
	<p>Public Hearings</p>	<p>Include:</p> <ol style="list-style-type: none"> 1. Evidence that a minimum of 2 public hearings were convened on separate dates and locations (i.e., notice or agenda). 2. Report on the issues raised during public hearings. 	<p>Iowa intends to comply with this section after receiving the feedback requested from DHHS in #1 above. Given the quick turn-around time needed to successfully implement this proposal, Iowa cannot wait for completion of public hearings to provide this information to DHHS. Iowa will provide all documentation requested in this section.</p>

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	Tribal Consultation and evidence of meaningful consultation (if the state has one or more Federally-recognized Indian tribes)	<p>Include:</p> <ol style="list-style-type: none"> 1. Evidence of an official meeting between the state and Tribal representatives. 2. Report of the issues raised during official meeting. 	Iowa intends to comply with this section after receiving the feedback requested from HHS in #1 above. Given the quick turn-around time needed to successfully implement this proposal, Iowa cannot wait for completion of Tribal Consultation to provide this information to DHHS. Iowa will provide all documentation requested in this section.
3	<p>45 CFR 155.1308(f)(3)(i), (ii)</p> <p>Comprehensive description of State’s enacted legislation and program to implement a plan meeting the requirements for a Section 1332 waiver and a copy of the state’s enacted legislation</p>	<p>Include legislation establishing authority to pursue a Section 1332 waiver and/or for the program to implement a state plan for a waiver.</p> <p><i>If submitting a Section 1332 waiver application implementing a high-risk pool/state-operated reinsurance program and seeking a pass through of funding, the legislation must provide that the high-risk pool/state-operated reinsurance program is contingent upon federal approval of the waiver (or become effective only if the Section 1332 waiver is approved). This could be accomplished by making appropriations or funding for the program or the authorization for the reinsurance program contingent on approval of the Section 1332 waiver, or by otherwise structuring the legislation so that the program cannot operate without an approved Section 1332 waiver in place.</i></p>	<p>As set forth in this proposal, Iowa Code Section 505.8(19) provides broad authority to the insurance commissioner to meet this requirement. Iowa Code 513C.10 provides authority to regulate the Iowa PSM health insurance program with a reinsurance structure. To the extent the federal regulation purports to require more, Iowa requests DHHS waive specific state legislative recognition of Section 1332 waiver as providing health coverage for Iowans is far more essential than the structure of the authorizing legislation. Iowa’s legislature has recessed its 2017 session.</p> <p>Further, Iowa can promulgate administrative rules that will be effective by January 1, 2018 upon DHHS approval of this proposal.</p>
4	<p>45 CFR 155.1308(f)(3)(iii)</p> <p>List of provision(s) of the law that the state seeks to waive and reason for the specific request(s).</p>	<p>Include a description of the provision the seeking to be waived and how it will facilitate the state’s plan.⁴</p> <p>If the state is seeking pass-through funding, include an explanation of how, due to the structure of the state plan, the state anticipates that individuals would not qualify for premium tax credits, small business tax credits, or cost-sharing reductions for which they</p>	Iowa has provided this information in its proposal.

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		<p>would otherwise be eligible. Also explain how the state plans to use that funding.</p> <p><i>For a high-risk pool/state-operated reinsurance Section 1332 Waiver a state should request a waiver of one or more related provisions of the ACA's and explain how that will facilitate the state's plan to implement a state-operated reinsurance program for 2018 and/or future years. The state should further explain how the provision(s) of the ACA that the state is seeking to waive are connected to and/or relate to the state's plan for a reinsurance program. The state should also state how the high-risk pool/state-operated reinsurance program would result in a reduction in federal spending on premium tax credits, if the state expects to receive pass-through funding, and how the state wants to use that funding to implement the state plan under the Section 1332 waiver.</i></p>	
5	<p>45 CFR 155.1308(f)(4)(i)-(iii) Actuarial analyses and actuarial certifications Economic analyses Data and assumptions</p> <p><i>*Note a state can combine the elements of an actuarial analysis and economic analysis into one report or submit separate actuarial and economic reports.</i></p>	<p>Include:</p> <ol style="list-style-type: none"> 1) An actuarial analysis and certification to support the state's finding that the waiver complies with the coverage, comprehensiveness, and affordability requirements in each year of the waiver. 2) An economic analysis to support the state's finding that the waiver will not increase the federal deficit over the five-year waiver period or in total over the ten-year budget period. 3) The data and assumptions that the state relied upon to determine the effect of the waiver on coverage, comprehensiveness, affordability and deficit neutrality requirements. 	<p>Iowa requests DHHS waive the requirements of this section as they are not applicable to Iowa's proposal. The 'traditional' 1332 Innovation waiver was designed to allow states to propose innovative <u>and long-term</u> changes to the functions of the ACA. Iowa's proposal is a short-term solution to prevent the crisis of not having any carriers offering ACA compliant plans in 2018. Iowa does not intend its proposal to be a long-term solution, but rather the solution for 2018. Iowa intends to revisit the functionality of this program in lieu of any federal guidance that may be applicable for 2019. Therefore, providing detailed analysis expanding 5 years is not necessary for Iowa's proposal</p>

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		<p>The actuarial and economic analyses must 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.</p> <p>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.</p> <p>For states considering establishing a <i>high-risk pool/state-operated reinsurance Section 1332 waiver</i>, the state should use a baseline in which there is no state or federal funding for a state reinsurance program, and should compare premiums and coverage under the baseline for each year to those projected under the waiver (i.e. with a reinsurance program with funding). Data used to produce these projections might include overall and Second Lowest Cost Premium (SLCSP) and enrollment information for a recent plan year. The actuarial and/or economic analyses must include:</p> <ul style="list-style-type: none"> • A comprehensive description of the parameters of the reinsurance arrangement, including projected funding levels. • A projection of the following items separately under both a ‘without-waiver’ scenario and a ‘with-waiver’ scenario: 	<p>Iowa has, however, provided much of this requirement as it relates to 2018 including: 1) its analysis that compares the costs of the second lowest cost silver plan premium, 2) the estimated premium credit per member per age and income level, and 3) the parameters of its reinsurance program.</p>
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		<ul style="list-style-type: none"> • 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. • Overall average non-group market premium rate. • Second Lowest Cost Silver Plan rate for a representative consumer (e.g., a 21-year old non-smoker), by rating area. • Aggregate premiums and PTC amounts. • Aggregate shared responsibility payments, health insurance provider fee, and exchange user fee for FFE or SBE-FP states. • Documentation of the assumptions and methodology used in the projections. <p>Additional information may be required to facilitate evaluation of state estimates and calculation of pass-through amounts by the Departments.</p>	
6	<p>45 CFR 155.1308(f)(4)(iv) Draft timeline for implementation of the proposed waiver</p>	<p>Include a timeline and discussion of implementation of the waiver plan. <i>If applicable</i>, include an explanation as to how the state will provide the federal government with all information necessary to administer the waiver at the federal level.</p> <p><i>If a high-risk pool/state-operated reinsurance program Section 1332 waiver</i>, include:</p> <ol style="list-style-type: none"> 1. How the state will implement a reinsurance program. 2. The data collection timing and mechanism for collecting claims information and generally for pay-out. 3. Whether the state is using conditions-based list for reinsurance and/or an attachment point model. 	<p>Iowa has provided this information in its proposal.</p>

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		<p>4. Whether the reinsurance program includes incentives for providers, enrollees, and plan issuers to continue managing health care cost and utilization for individuals eligible for the described reinsurance (if any).</p> <p>5. Whether the state is specifying a co-insurance amount, or a cap, based on available funds, similar to the federal program.</p> <p>6. Any legislation and/or regulations related to the state reinsurance program.</p>	
7	<p>45 CFR 155.1308(f)(4)(v)(A)(B)(C)(D) and (E) Additional Information</p>	<p>Additional Information that is pertinent to your waiver plan. This may include:</p> <ol style="list-style-type: none"> 1) Explanation of whether the waiver increases or decreases the administrative burden on individuals, insurers, or employers. 2) Explanation of whether the waiver will affect the implementation of ACA provisions which are not being waived. <p style="margin-left: 40px;">Note: The state should identify if any section of the ACA would be adversely affected by the proposed waiver.</p> 3) Explanation of how the waiver will affect residents who need to obtain health care services out of the state. <p style="margin-left: 40px;">Please include whether the state health plans provide for coverage out of state.</p> 4) If applicable, an explanation as to how the state will provide the Federal government with all information necessary to administer the waiver at the Federal level. 5) Explanation of how the state’s proposal will address potential compliance, waste, fraud, and abuse. 	<p>Iowa requests DHHS waive the requirements of this section as they are not applicable to Iowa’s proposal. The ‘traditional’ 1332 Innovation waiver was designed to allow states to propose innovative <u>and long-term</u> changes to the functions of the ACA. Iowa’s proposal is a short-term solution to prevent the crisis of not having any carriers offering ACA compliant plans in 2018. Iowa does not intend its proposal to be a long-term solution, but rather the solution for 2018. Iowa intends to revisit the functionality of this program in lieu of any federal guidance that may be applicable for 2019.</p> <p>Aside from the information requested in this checklist, Iowa is committed to providing DHHS with any other information requested to assess the proposal.</p>

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8	<p>45 CFR 155.1308(f)(4)(vi) State’s suggested reporting targets for the four statutory requirements</p>	<p>States must propose a plan for quarterly and/or annual reporting of data to demonstrate that the waiver remains in compliance with the scope of coverage, affordability, comprehensiveness and deficit requirements. For example, a state might meet this requirement by proposing to continue to report the same data used to support the application findings as required under 45 CFR 155.1308(f)(4).</p> <p>For comprehensiveness, if there is no change to the provision of the ten Essential Health Benefits (EHB) identified in the benchmark plan, the state can indicate that it will report on any modifications from federal or state law on an annual basis.</p> <p><i>For a high-risk pool/state-operated reinsurance program Section 1332 waiver, the state must provide each year the actual Second Lowest Cost Silver Plan premium under the waiver and an estimate of the premium as it would have been without the waiver, for a representative consumer in each rating area. Coverage and affordability metrics may be also reported on an annual basis.</i></p>	<p>Iowa intends to comply with this section after receiving the feedback requested from DHHS in #1 above. Given the quick turn-around time needed to successfully implement this proposal, Iowa cannot wait to assess the reporting requirements prior to providing this information to DHHS. Iowa will work with DHHS to determine what reporting requirements it requires.</p>
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Appendix D

Age	Premium Age	FPL	APTC FPL	2017 Std Silver Premium	2017 APTC	Silver Premium after APTC	2018 Premium	Flat Monthly Credit	2018 Premium after Credit
0-20	10	133%-150%	125%	\$161	\$148	\$13	\$272	\$250	\$22
0-20	10	150%-200%	175%	\$161	\$129	\$32	\$272	\$221	\$51
0-20	10	200%-250%	225%	\$161	\$104	\$57	\$272	\$162	\$110
0-20	10	250%-300%	275%	\$161	\$76	\$85	\$272	\$103	\$169
0-20	10	300%-400%	350%	\$161	\$44	\$117	\$272	\$44	\$228
0-20	10	>400%		\$161	\$0	\$161	\$272	\$24	\$248
21-34	29	133%-150%	125%	\$284	\$250	\$34	\$398	\$336	\$62
21-34	29	150%-200%	175%	\$284	\$203	\$81	\$398	\$297	\$101
21-34	29	200%-250%	225%	\$284	\$139	\$144	\$398	\$217	\$181
21-34	29	250%-300%	275%	\$284	\$68	\$216	\$398	\$138	\$260
21-34	29	300%-400%	350%	\$284	\$20	\$264	\$398	\$59	\$339
21-34	29	>400%		\$284	\$0	\$284	\$398	\$32	\$366
35-44	40	133%-150%	125%	\$324	\$291	\$34	\$454	\$398	\$56
35-44	40	150%-200%	175%	\$324	\$243	\$81	\$454	\$351	\$103
35-44	40	200%-250%	225%	\$324	\$180	\$144	\$454	\$257	\$197
35-44	40	250%-300%	275%	\$324	\$108	\$216	\$454	\$164	\$290
35-44	40	300%-400%	350%	\$324	\$33	\$291	\$454	\$70	\$384
35-44	40	>400%		\$324	\$0	\$324	\$454	\$37	\$417
45-54	50	133%-150%	125%	\$453	\$419	\$34	\$635	\$554	\$81
45-54	50	150%-200%	175%	\$453	\$372	\$81	\$635	\$489	\$146
45-54	50	200%-250%	225%	\$453	\$309	\$144	\$635	\$391	\$244
45-54	50	250%-300%	275%	\$453	\$237	\$216	\$635	\$326	\$309
45-54	50	300%-400%	350%	\$453	\$155	\$298	\$635	\$228	\$407
45-54	50	>400%		\$453	\$0	\$453	\$635	\$65	\$570
55+	60	133%-150%	125%	\$688	\$655	\$34	\$964	\$828	\$136
55+	60	150%-200%	175%	\$688	\$608	\$81	\$964	\$760	\$204
55+	60	200%-250%	225%	\$688	\$544	\$144	\$964	\$702	\$262
55+	60	250%-300%	275%	\$688	\$473	\$216	\$964	\$643	\$321
55+	60	300%-400%	350%	\$688	\$391	\$298	\$964	\$556	\$408
55+	60	>400%		\$688	\$0	\$688	\$964	\$117	\$847

Notes:

* Silver premiums are generated from Aetna's 2017 Federal rate data template and the IID's Demographic and Plan Selection file (to ascertain regional membership distribution) so that statewide silver premiums could be estimated.

** 2018 premium is a simple estimate using the 2017 IID rate sheet summaries (lowest 10 silver premiums weighted against 2017 regional membership x 1.25). IID assumed a 25% rate increase for 2018 which is a pure estimate. Within the context of the current market uncertainties (CSR for example), these numbers are extremely difficult to estimate.

APPENDIX E

FOR IMMEDIATE RELEASE: Thursday, July 13, 2017

Chance McElhanev, chance.mcelhanev@iid.iowa.gov, 515-242-5179

Notice of Public Hearings for Iowa Stopgap Measure

Des Moines – Iowa Insurance Commissioner Doug Ommen requests public comments from Iowans regarding the [Iowa Stopgap Measure](#) and today said three public hearings will be held regarding the Iowa Stopgap Measure.

The Iowa Insurance Division has submitted the Iowa Stopgap Measure for federal approval by the Centers for Medicare and Medicaid Services (CMS) under the Affordable Care Act (ACA). The Iowa Stopgap Measure is a short-term solution, but Iowa and many other states need a long-term fix from Congress to stabilize the damage done by the ACA.

Under the Iowa Stopgap Measure, Iowans will be able to purchase a standard health benefits plan that will be guaranteed issue, that will protect consumers from annual and lifetime limits, and that will include all of the Essential Health Benefits of the ACA and any additional benefits required by Iowa law. The Iowa Stopgap Measure will utilize a pass-through of Iowa's share of federal advanced premium tax credits (APTCs) and cost-sharing reductions (CSRs) to provide Iowa consumers with monthly age- and income-based premium credits and to support a reinsurance mechanism for costly medical claims. Consumers will purchase the standard health benefits plan directly from insurance companies participating in the Iowa Stopgap Measure during the open enrollment period beginning November 1, 2017.

The Iowa Insurance Division continues to work with CMS, CCIIO and Treasury to finalize Iowa's Stopgap Measure and ensure timely approval. The Iowa Stopgap Measure is available for public review at <https://iid.iowa.gov/documents/iowa-stopgap-measure> and public comment at <https://comment.iowa.gov>. The Iowa Insurance Division also anticipates providing a third-party economic analysis in late July. Public comments are an important part of this process and the Iowa Insurance Division will consider comments for the final version of Iowa's Stopgap Measure.

Written comments will be accepted through 4:30 p.m. on Monday, August 14, 2017. Comments may also be submitted in writing via U.S. mail to the Iowa Insurance Division, Attn: Public Comments, 601 Locust Street 4th Floor, Des Moines, Iowa 50309. Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should [call the Iowa Insurance Division](#) or [email Angela Burke Boston](#) and advise of specific needs.

Information about the public hearings regarding the Iowa Stopgap Measure are below.

Wednesday, July 19, 2017

5:30 – 6:30 p.m.

Council Bluffs Public Library

Meeting Room B

400 Willow Avenue, Council Bluffs, 51503

Wednesday, August 2, 2017

5:30 – 6:30 p.m.

Des Moines Central Public Library

Central Library Meeting Room

1000 Grand Avenue, Des Moines, 50309

Thursday, August 10, 2017

5:30 – 6:30 p.m.

Cedar Rapids Public Library

Beems A/B Room

450 5th Avenue SW, Cedar Rapids, 52401

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