



New Jersey 1332 Waiver Application

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Executive Overview

Request

The State of New Jersey, through its Department of Banking and Insurance (Department), submits this 1332 State Innovation Waiver request to the Centers for Medicare and Medicaid Services (CMS), a division of the United States Department of Health and Human Services (HHS), and the Department of the Treasury. This request seeks waiver of Section 1312(c)(1) in accordance with Section 1332 of the Affordable Care Act (ACA) for a period of five years beginning with the 2019 calendar year to develop a state reinsurance program. This waiver will not affect any other provision of the ACA but will result in a lower market-wide index rate, thereby lowering premiums and reducing the federal cost of the premium tax credit (PTC) and advance payments of the PTC (APTC).

Basis for Request and Goal of Reinsurance Program

During recent years, New Jersey's individual health insurance market has seen substantial instability. Several health carriers have withdrawn from the state's individual health insurance market and remaining carriers have reduced the number of available plans and types of plan options. Premiums and cost-sharing for consumers has increased significantly.¹ Given the current environment, including the known and anticipated changes for calendar year 2019, and historical rate trends that demonstrate significant upward pressure on rates, the Department anticipates further increases in premiums and instability in enrollment to continue in our individual health insurance market. Note that the New Jersey individual health insurance market is comprised of coverage offered through the Marketplace as well as coverage offered outside the Marketplace.

The creation of a state reinsurance program through a 1332 waiver will increase certainty and stability in New Jersey's individual health insurance market. By reimbursing carriers for certain high-cost claims, the reinsurance program will reduce risk for carriers in the market. This will exert downward pressure on premiums by reducing the magnitude of any actuarially justified rate increases that are driven by other factors, such as the cost of care. The program is also expected to encourage current carriers to maintain participation and create favorable conditions for continued and possibly expanded participation in the individual health insurance market – both on and off the Federally Facilitated Marketplace (FFM), and may also incentivize new carriers to enter New Jersey's individual health insurance market due to the stabilization of premiums through reinsurance of high-cost claims.

Operation, Funding, and Impact of the New Jersey Reinsurance Program

¹ See Appendix XX identifying the carriers and their participation as either marketplace and off marketplace or off marketplace only.

The New Jersey Health Insurance Premium Security Act (the Act), P.L. 2018, c.*, which passed the New Jersey Legislature on April 12, 2018, and was signed into law on May 30, 2018, establishes a reinsurance program called the Health Insurance Premium Security Plan to be administered by the New Jersey Individual Health Coverage Program Board of Directors (IHC Board or Board). The IHC Board is a State agency that is “in but not of” the Department. The Commissioner of the Department sits ex officio as one of the Board’s members. The Act provides that the Board, subject to the disapproval of the Commissioner, shall design and adjust the payment parameters of the reinsurance program to stabilize or reduce premium rates in the individual health insurance market by achieving between a 10% and 20% reduction in what indicated premium rates would be for the applicable benefit year without the reinsurance plan. P.L.2018, c.*, §4g(1) and 5.

Based upon actuarial analysis, the Board and the Commissioner are proposing establishment of a reinsurance program under the Act that will achieve a *% reduction in what indicated premium rates would otherwise be for 2019 absent a reinsurance program. To achieve this reduction, total funding for the reinsurance program for 2019 is estimated to be approximately *[insert figure]*. As enacted, the reinsurance program is fully funded by three sources. First, the reinsurance program will be funded through any federal pass-through funds received as a result of this waiver application. All additional necessary funds for the reinsurance program will be funded by:

- (1) monies collected by the State pursuant to P.L. 2018, c.* that also passed the New Jersey Legislature on April 12, 2018, and was signed into law on May 30, 2018, and which establishes a State shared responsibility tax equal to a taxpayer’s federal penalty that would apply for the taxable year under section 5000A of the Internal Revenue Code of 1986, as in effect on December 15, 2017 (26 U.S.C s.5000A); and
- (2) annual appropriations out of the General Fund of the State in an amount as the Board, in consultation with the Commissioner, determines necessary to fully fund the program.

P.L. 2018, c.*, §10c and d.

Under the Act, the reinsurance program will reimburse qualifying carriers in the individual health insurance market for a percentage of an enrollee’s claims between an attachment point and a reinsurance cap to be determined by the Board and non-disapproved by the Commissioner. P.L. 2018, c.*, §4g(1) and 5. Based upon actuarial analysis and to achieve the *% reduction in upward pressure on rates, in 2019, the program will likely reimburse *[insert reinsurance percentage]* percent of claims between the *[estimated attachment point]* attachment point and an estimated *[insert reinsurance cap]* cap. The IHC Board, in

consultation with the Commissioner, will set the program payment parameters through administrative action.² As noted above and based upon actuarial analysis, the IHC Board estimates that the reinsurance program, as part of the waiver proposal, will result in a reduction of indicated premiums with respect to 2019 rates of *% and similar downward pressure of *% for 2020. The IHC Board expects that rates will continue to demonstrate the downward rate pressure exerted by the reinsurance program such that year-to-year rate increases thereafter will primarily reflect trend. Further, the Board can adjust the payment parameters of the reinsurance program to maintain such downward rate pressure as market experience evolves and the program will continue to be fully funded as provided for in the Act and as discussed above.

Compliance with Section 1332

New Jersey's waiver, if approved, will reduce premiums as compared to the premiums that would be required in the absence of reinsurance, and increase affordability of health insurance in New Jersey's individual health insurance market. Note that the New Jersey individual health insurance market has two components – Marketplace and outside the Marketplace. The IHC Board gathers quarterly enrollment data and thus has an effective baseline against which to evaluate changes in enrollment. Data is posted on: http://www.state.nj.us/dobi/division_insurance/ihcseh/ihcsehenroll.html, and the most recent data is provided as Appendix xx.

We estimate that total enrollment in the individual health insurance market will increase by approximately *[insert percent change]* in 2019, *[insert percent change]* in 2020, and *[insert percent change]* in *[insert additional representative time period]*. (See Table 1 below.) The waiver will not impact the comprehensiveness of coverage in New Jersey in any way. As required by the Individual Health Coverage Program Act, N.J.S.A. 17B:27A-2 et seq., all individual health benefits plans issued in New Jersey must be the standard individual health benefits plans. The standard health benefits plans are comprehensive and developed by the IHC Board as set forth in regulation, N.J.A.C. 11:20 Appendix Exhibits A and B. The waiver will have no material impact on premiums or enrollment in group coverage or public programs. Based on actuarial analysis, the downward pressure on individual health insurance premiums, including premiums for the second lowest cost silver plan, is projected to reduce net federal spending by about *[insert figure]* in each of the five years the waiver is in place. Therefore, New Jersey requests federal pass-through funding for each year equal to the amount of the federal savings. However, neither pass-through of the federal savings, nor other aspects of the waiver, will increase the federal deficit in any year of the waiver.

[TABLE 1 to be added here]

² If necessary, [P.L.2018, c.*] permits, pursuant to N.J.S.A.17B:27A-16.1, the Board to adopt rules on an expedited basis. The commissioner is also able to disapprove payment parameters proposed by the Board.

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I. New Jersey 1332 Waiver Request

New Jersey's individual health insurance market, like others across the country, has been through significant changes and challenges in the past few years. Despite the State's efforts to work collaboratively with our health carriers to ensure a stable and competitive, yet adequately priced, market with multiple plan options, the number of carriers participating in the individual health insurance market has decreased since the inception of the ACA. Further, New Jersey's individual health insurance market enrollment continues to be relatively unstable and premiums continue to increase.³

New Jersey seeks waiver of Section 1312(c)(1) in accordance with Section 1332 of the ACA for a five-year period beginning in the 2019 plan year to implement a State reinsurance program. The waiver is intended to further stabilize the individual health insurance market, exert downward pressure on rates through reductions in what premiums would be without a reinsurance program, to encourage more carriers to participate in the market, and to incent existing and new carriers to offer a wider variety of plans.

Section 1312(c)(1) requires "all enrollees in all health plans . . . offered by [an] issuer in the individual health insurance market . . . to be members of a single risk pool." This application calls for waiving the single risk pool requirement to the extent it would otherwise require excluding expected state reinsurance payments when establishing the market-wide index rate. A lower index rate will result in lower premiums for New Jersey's second lowest cost silver plan, resulting in a reduction in the overall APTC that the federal government is obligated to pay for subsidy-eligible consumers in New Jersey. The waiver does not require changes to any other ACA provision.

Without a reinsurance program, individual health insurance premiums likely will continue to rise at an unsustainable rate. Consequently, more New Jersey residents will choose or be forced to go without health insurance, further driving up rates due to adverse selection and provider cost shifting. By implementing a reinsurance program, New Jersey will reduce the potential for further market disruption, lower the cost of individual premiums absent a reinsurance program, and decrease federal APTC and PTC obligations.

By mitigating high-cost individual health insurance claims, the reinsurance program will help to stabilize New Jersey's individual health insurance market and make premiums more affordable. Table 1 above shows that, with the waiver and reinsurance program in place, individual health insurance market premiums, including premiums for the second lowest cost silver plan, are expected to be *% lower in 2019 than they would be absent the waiver and reinsurance program.

³ See Appendix XX

This premium reduction will reduce federal APTC and PTC cost. Table 1 shows that absent the waiver, 2019 federal APTC and PTC spending in New Jersey will be an estimated *[insert figure]*. After factoring in the waiver, total 2019 federal APTC and PTC spending is estimated to be *[insert figure]* – a savings of *[insert figure]*. Similar savings are estimated for each year of the 10-year budget window.

To establish the state’s reinsurance program, New Jersey seeks federal pass-through funds in the amount of the federal savings for APTC and PTC, subject to the cap imposed by the statutory deficit neutrality requirement. Table 1 shows that, taking into account the waiver’s impact on federal revenues from the federal Exchange user fee, New Jersey requests pass-through funding of *[insert figure]* in 2019.

II. Compliance with Section 1332 Guardrails

In support of the following sections A through D, the Department’s application includes the analysis required by 31 CFR part 33 and 35 and 45 CFR Part 155, subpart N. See Appendix Exhibit XX.

A. Scope of Coverage Requirement (1332(b)(1)(C)):

As previously noted, the waiver will reduce the cost of coverage in the individual health insurance market. The lower cost of coverage will allow more New Jersey residents to purchase or maintain coverage in the individual health insurance market than without the waiver. As indicated in Table 1, enrollment in the individual health insurance market is expected to increase by approximately *[insert figure]* in 2019, with similar increases in later years. The waiver will have no material impact on the availability of other types of coverage, such as Medicaid, CHIP, and employer-based insurance, so no impact is expected on the number of individuals with those types of coverage. The waiver will not negatively impact vulnerable populations who buy coverage in the individual health insurance market since premiums will be lower than they would be without the waiver. There is no expectation that the waiver will result in any reduction of coverage across different groups of state residents.

B. Affordability Requirement (1332(b)(1)(B)):

As noted above, the reinsurance program will, in each year it is in effect, make the cost of individual coverage lower than it would be absent the waiver, and thus more affordable. Overall, premium rates in the individual health insurance market are expected to decrease while other out-of-pocket expenses are not expected to change due to the waiver. The waiver will not affect the premiums or cost-sharing for coverage obtained through other means, such as Medicaid, CHIP, and employer-based coverage. The waiver will not negatively impact consumers, including vulnerable populations who buy coverage in the individual health insurance market since premiums will be lower than they would be without the waiver. *[premium and cost sharing information to be added]*

C. Comprehensiveness Requirement (1332(b)(1)(A)):

The waiver will have no effect on the comprehensiveness of coverage for New Jersey’s residents. Regardless of whether the waiver is granted, all New Jersey plans in the individual health insurance market are ACA-compliant and provide coverage of essential health benefits in addition to other comprehensive benefits as defined in the New Jersey standard individual health benefits plans under the New Jersey benchmark plan. See Individual Health Coverage Program Act, N.J.S.A. 17B:27A-2 et seq.; and N.J.A.C. 11:20 Appendix Exhibits A and B. Similarly, the scope of benefits provided by other types of coverage such as Medicaid, CHIP, and grandfathered plans will not be impacted. The waiver is expected to increase the number of individuals with health coverage in the individual health insurance market in New Jersey. Those individuals that gain health coverage as a result of the reduced premiums available due to the waiver will have coverage far more comprehensive than they would absent the waiver.

D. Deficit Neutrality Requirement (1332(b)(1)(D)):

As stated above, New Jersey anticipates that individual premiums, including premiums for the second lowest cost silver plan, will be lower under the waiver by *% in 2019, *% in 2020, and similar amounts in 2021 through 2027, than premiums absent a waiver and reinsurance program. Because federal APTC and PTC costs are tied to the second lowest cost silver plan, these lower premiums will result in lower federal spending net of revenues in each year of the waiver. Lower premiums in the individual health insurance market will also result in a small reduction in revenues from the federal Exchange user fee in each year of the waiver. Combining these factors, the waiver will produce net federal savings of about [insert figure] in 2019 and similar amounts in later years. New Jersey requests pass-through funds in each year equal to the expected APTC and PTC savings, and not to exceed net expected savings under the waiver. As shown in Table 2 for selected time periods and in [insert reference to the actuarial and economic analysis] for each year, granting pass-through funding in these amounts will not result in the waiver increasing the federal deficit in any year, over the 5 years of the waiver, or over a 10-year budget window.

Table 2

| Impact to Federal Deficit Savings/Costs, Selected Time Periods | | | |
|--|-----------------|-----------------|-----------------|
| Category of Impact | 2019 | 2019-2023 | 2019-2028 |
| Savings in APTC and PTC | [insert figure] | [insert figure] | [insert figure] |
| Impact on Exchange User Fee Revenues | [insert figure] | [insert figure] | [insert figure] |
| Requested Pass-through funds | [insert figure] | [insert figure] | [insert figure] |
| Total Impact on Federal Deficit | [insert figure] | [insert figure] | [insert figure] |

[table showing the coverage impact broken down by income level]

III. Description of the New Jersey 1332 Waiver Proposal

A. Authorizing Legislation

The New Jersey Health Insurance Premium Security Act (the Act), P.L. 2018, c*, was signed into law by New Jersey's Gov. Phil Murphy on May 30, 2018. The goal of the Act is to stabilize premiums for health insurance in the individual health insurance market and provide greater financial certainty to health carriers and health insurance consumers.

The Act gives the Commissioner, in consultation with the IHC Program Board, the authority to apply for a federal 1332 waiver to establish the reinsurance program. P.L. 2018, c*, §2 and 9. If the waiver is granted and the Commissioner accepts the waiver, the Act requires the IHC Program Board to annually propose reinsurance program requirements, including the reinsurance program attachment point, coinsurance rate, reinsurance cap, and payment processes, in consultation with the Department, and ultimately to establish the payment parameters through administrative action. P.L. 2018, c*, §4. The Board is to propose to the Commissioner the payment parameters for the next benefit year by April 30 of the year before the applicable benefit year. P.L. 2018, c*, §5. The Commissioner then has 15 days to review the payment parameters. Ibid. If the Commissioner takes no affirmative action to disapprove the payment parameters within that time, then the proposed payment parameters are final and effective. Ibid.

The reinsurance program will reimburse individual health carriers for a proportion (coinsurance amount) of high-cost claims between a minimum lower bound (attachment point) and a maximum upper bound (cap). P.L. 2018, c*, §6. Based on actuarial analysis, for 2019, the Board, subject to the disapproval of the Commissioner, is proposing to set the reinsurance cap at *[insert figure]*, the coinsurance rate at *[insert figure]*, and the attachment point at *[insert figure]* to achieve the desired premium reduction of *%. P.L. 2018, c.*, §4. Carriers will submit a request for reinsurance to the Board once a claim meets the attachment point. P.L. 2018, c.*, §7a. The Board will advise the Commissioner and carriers quarterly during the applicable benefit year of the total reinsurance payment requests. P.L. 2018, c*, §4e. By June 30 of the year following the applicable benefit year, the Board will notify the Commissioner, carriers, and the State Treasurer – who has responsibility for holding and maintaining the reinsurance fund. P.L. 2018, c.*, §10a – of the total reinsurance payments to be made. P.L. 2018, c.*, §4e. By November 1 of the year following the applicable benefit year, the State Treasurer will disburse the payments from the reinsurance fund due to eligible carriers. P.L. 2018, c.*, §4f.

The Act creates the New Jersey Health Insurance Premium Security Fund (the Fund) to support the reinsurance program that is to be fully funded to achieve the premium reduction levels targeted by the Board through the selected reinsurance payment parameters. P.L. 2018, c.*, §10c. The Fund shall be funded to levels based upon actuarial analysis to stabilize or reduce premium rates

in the individual health insurance market achieving between a 10% and 20% reduction in what indicated rates would be for the applicable benefit year without the reinsurance plan and to cover all necessary administrative costs of the reinsurance provided by the plan. The sources of this funding are as follows:

- (1) all funds collected by the State pursuant to P.L.2018, c.* which establishes a State shared responsibility tax equal to a taxpayer's federal penalty that would apply for the taxable year under section 5000A of the Internal Revenue Code of 1986;
- (2) federal pass-through funding granted in response to this waiver application; and
- (3) annual appropriation out of the General Fund of the State in an amount as the board, in consultation with the Commissioner, determines necessary to fully fund the plan.

P.L. 2018, c*, §10d.

Under the Act, the operation of the reinsurance program is contingent on waiver approval and acceptance by the Commissioner. P.L. 2018, c*, §9. The funding mechanism described above and the underlying structure of the reinsurance program are also contingent on waiver approval and acceptance by the Commissioner; however, the Commissioner and the Board are authorized to take necessary anticipatory measures to prepare for implementation. P.L. 2018, c*, §14.

B. Federal Pass-Through Funding

The waiver is designed to improve access for New Jersey residents to affordable and comprehensive health coverage in the individual health insurance market. The goal of the reinsurance program is to inject new capital into the individual health insurance market through the federal pass-through funding and to transfer a portion of the risk of high-cost claimants to the State, thereby spreading the burden of these high-cost claims and lowering premiums for the individual health insurance market in the absence of a reinsurance program. In doing so, the reinsurance program will likely incentivize individuals to join or remain in the market, improve morbidity to exert additional downward pressure on premium rates, encourage carrier participation, and increase market stability.

Because the amount of APTC available for eligible consumers is tied to the second lowest cost silver plan available through the New Jersey's Marketplace (note: New Jersey has a federally facilitated Marketplace), the waiver will reduce net federal expenditures due to lower APTC and PTC. Through this waiver request, New Jersey seeks the amount of these federal savings, net of other costs that result from the waiver. New Jersey will use these funds to finance a large portion of the reinsurance program.

IV. Draft Waiver Implementation Timeline

The Board, in consultation with the Commissioner, will be responsible for implementing the reinsurance program. The Board will promulgate the program's operating processes, requirements, payment parameters, and procedures through administrative action. The Commissioner may review, and may disapprove, the payment parameters annually. The Board will collect and analyze the submitted reinsurance claims, perform a post-benefit year calculation of the total amount necessary to fund the reinsurance program and advise the Commissioner, carriers and State Treasurer of same. P.L. 2018, c*, §4. Thereafter, the State Treasurer will ensure that there are sufficient funds appropriated in the State budget to fully fund the program after taking into account the federal pass-through funding and any proceeds from the State's continuation of the individual mandate penalty, and distribute the reinsurance payments to eligible carriers. P.L. 2018, c*, §10 and 4f. New Jersey has initiatives designed to incentivize providers, payers, and enrollees to contain and manage health care costs and utilization for high-claims-cost individuals. The reinsurance program is not anticipated to include additional incentives.

The timeline for this implementation plan is as follows:

| | |
|-----------|---|
| 03/09/18: | SOW for actuarial services for New Jersey's application for waiver issued |
| 04/12/18: | Legislation authorizing the waiver application passes both houses |
| 04/13/18: | DOBI Order No. A18-102 issued to direct carriers to provide data |
| 04/27/18: | Deadline for carriers to submit data pursuant to Order No. A18-102 |
| 05/15/18: | Engagement letter with Oliver Wyman executed |
| 05/30/18: | Legislation signed into law |
| 05/31/18: | New Jersey's 30-day public comment period begins |
| 06/12/18: | First public hearing |
| 06/xx/18: | Second public hearing |
| 07/01/18: | The New Jersey public comment period ends |
| 07/02/18: | The 1332 waiver application is submitted to the federal government |
| Xx/xx/xx: | The federal government determines that the waiver application is complete and 45 day preliminary review period begins |
| Xx/xx/xx: | Ends 45-day federal preliminary review period |
| Xx/xx/xx: | Federal comment period begins |
| Xx/xx/xx: | Ends the 180-day federal review period |
| Xx/xx/xx: | Approval date through December 31: implement operational requirements |

V. Additional Information and Reporting

A. Administrative Burden

Waiver of Section 1312(c) will cause minimal administrative burden and expense for New Jersey or the federal government. The waiver will cause no additional administrative burden to employers and individual consumers because Section 1312(c) does not relate to the administrative functions or requirements typically undertaken by employers or individuals. Individual health carriers will

experience some administrative burden and associated expense as a result of the reinsurance program; however, the monetary benefit to carriers from the program will far exceed any resulting administrative expense.

New Jersey has the resources and staff necessary to absorb the following administrative tasks that the waiver will require the State to:

- Administer the reinsurance program;
- Distribute federal pass-through funds;
- Monitor compliance with federal law;
- Collect and analyze data related to the waiver;
- Perform reviews of the implementation of the waiver;
- Hold annual public forums to solicit comments on the progress of the waiver; and
- Submit annual reports (and quarterly reports if ultimately required) to the federal government.

The waiver will require the federal government to perform the following administrative tasks:

- Review documented complaints, if any, related to the waiver;
- Review State reports;
- Periodically evaluate the State's 1332 waiver program; and
- Calculate and facilitate the transfer of pass-through funds to the State.

New Jersey believes that the above administrative tasks are similar to other administrative functions currently performed by the federal government, so that their impact is minimal. Waiver of Section 1312(c)(1) does not necessitate any changes to the Federally Facilitated Marketplace or to IRS operations and will not impact how APTC and PTC payments are calculated or paid.

B. Impact on Residents Who Need to Obtain Health Care Services Out-of-State

Although New Jersey shares borders with New York, Pennsylvania, and Delaware, and many New Jersey residents work in those states, carrier service areas are limited to New Jersey and networks do not contain providers in those states. Access to specialized facilities and practitioners located in New York City, Philadelphia and northern Delaware is made available, as appropriate, through the in-plan exception process when it is demonstrated as medically necessary or to ensure a continuing course of treatment with a particular provider under certain circumstances. Granting this waiver request will not have an impact upon carrier networks or service areas when coverage is provided for services performed by out-of-state providers.

C. Ensuring Compliance, Waste, Fraud and Abuse

The Department is responsible for monitoring and requiring carrier compliance with all applicable market conduct standards and for ensuring the solvency of all carriers through continual monitoring and risk-focused financial analysis of carrier reporting. This includes performing

market conduct and financial analyses, examinations, and investigations; and providing consumer outreach and protection through response to consumer inquiries and complaints. The Department investigates all complaints that fall within the Department's regulatory authority.

The State of New Jersey, as well as the IHC Program Board, prepare comprehensive financial accounting statements annually. The Board's financial statements are audited annually, with the most recent audit completed for the fiscal year ending in 2017. The IHC Program Board will administer the reinsurance program in accordance with its existing accounting, auditing, and reporting procedures and those established in the Act. See P.L. 2018, c.*, §11b. Auditing and reporting obligations of participating carriers are established in P.L. 2018, c.*, §7e, and will be further established by rule.

The IHC Program is audited annually by an independent auditor under contract with the IHC Board. The reinsurance program will also be subject to audit by an independent auditor under contract with the State of New Jersey. The federal government is responsible for calculating the savings resulting from this waiver and for ensuring that this waiver does not increase federal spending.

D. State Reporting Requirements and Targets

The IHC Program Board will assume responsibility for the reporting requirements of 45 CFR 155.1324, including the following:

- Quarterly reports (45 CFR 155.1324(a)): To the extent required, the IHC Program Board will submit quarterly reports, including reports of ongoing operational challenges, if any, and plans for, and results of, associated corrective actions.
- Annual reports (45 CFR 155.1324(b)): the IHC Program Board will submit annual reports documenting the following:
 - (1) The progress of the waiver.
 - (2) Data, similar to that contained in Attachment 1, on compliance with Section 1332(b)(1)(B) through (D) of the ACA.
 - (3) Modifications, if any, to the essential health benefits for compliance with Section 1332(b)(1)(A) of the ACA.
 - (4) The premium for the second lowest cost silver plan 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.
 - (5) A summary of the annual post-award public forum required by 45 CFR 155.1320(c) together with a summary of action taken in response to public input.
 - (6) Any additional information required by the terms of the waiver.

To the extent that quarterly reporting is required under 45 CFR 155.1324(a), the IHC Program Board recommends that such reporting commence no sooner than April 30, 2020, in order to provide some experience with the program about which to report. The IHC Program Board will submit and publish annual reports by the deadlines established in 45 CFR 155.1324(c) or the deadlines established by the terms of the waiver.

VI. Supporting Information and Miscellaneous

A. 45 CFR 155.1308(f)(4)(i) – (iii)

The supporting information required by 45 CFR 155.1208(4)(i) – (iii), including the actuarial analyses and certifications, the economic analyses, the detailed deficit neutral 10-year budget plan, and the data and assumptions demonstrating that the proposed waiver is in compliance with 1332(b)(1)(A) – (B) are found in Appendix xx.

VII. Public Comment and Tribal Consultation

A. Public Comment

On May 31, 2018, the Department of Banking and Insurance opened public comment on this waiver request and posted notice of the opportunity to comment on the Department's website at www.state.nj.us/dobi/division_insurance/section1332/. The Department also notified the Secretary of State for posting of notice at the Office of the Secretary of State and to provide notice to the press, and posted notice in three newspapers throughout the state. See Appendix XX.

On June 12, 2018, the Department held a public hearing in room 220 in the Department of Banking and Insurance Building at 20 West State Street, Trenton, New Jersey. At the public hearing, xx members of the public testified. This testimony was also submitted in writing. See Attachment xx. On June xx, 2018 the Department held an additional public hearing at [location to be added]. At the public hearing, xx members of the public testified. This testimony was also submitted in writing. See Appendix xx.

The Department also received [insert number] written public comments on this waiver request. See Appendix XX. The public comment period closed at the end of the day on July 1, 2018.

B. Tribal Consultation

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

ADDITIONAL DOCUMENTS TO INCLUDE IN APPLICATION

- *Actuarial and economic analysis*
- *State legislation authorizing the application*
- *Documentation of public notice and comment period and public hearings*
- *Written comments received during the state notice and comment period*

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