

# Section 1332 of the Patient Protection and Affordable Care Act (PPACA) State Innovation Waivers – Reinsurance Waiver Quarterly Report

**Reporting Instructions:** Use the following template to capture data for quarterly 1332 waiver grant reporting, as specified in 45 CFR 155.1324(a), and referenced in your grant specific terms and conditions (STC). Quarterly reports are due 60 days following the end of each calendar quarter.

STATE:

A. GRANTEE INFORMATION			
<b>1. Reporting Period End Date</b> September 30, 2019		<b>2. Report Due Date</b> 11/30/2019	
<b>3. 1st Quarterly Report</b> <input type="radio"/>	<b>2nd Quarterly Report</b> <input type="radio"/>	<b>3rd Quarterly Report</b> <input checked="" type="radio"/>	<b>4. Federal Agency and Organization Element to Which Report is Submitted</b> Consumer Information & Insurance Oversight (CCIIO)
<b>5. Federal Grant Number Assigned by Federal Agency</b> SIWIW180003-01-60	<b>6a. DUNS Number</b> 809579451		<b>6b. EIN</b> 93-0952020
<b>7. Recipient Organization Name</b> Oregon Department Of Consumer and Business Services			
<b>Address Line 1</b> 350 Winter Street NE			
<b>Address Line 2</b>			
<b>Address Line 3</b>			
<b>City</b> Salem	<b>State</b> Oregon		<b>Zip Code</b> 97301
<b>Zip Extension</b> 3875		<b>8. Grant Period Start Date</b> 01/01/2018	
<b>9. Grant Period End Date</b> 12/31/2022			
<b>10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency)</b>			

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<b>B. REPORT CERTIFICATION</b>	
<b>11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>	
<b>11a. Typed or printed name and title of Authorized Certifying Official</b>  JP Jones, Deputy Administrator of Operations Department Of Consumer and Business Services Division of Financial Regulation	<b>11b. Signature of Authorized Certifying Official</b>
<b>11c. Telephone (area code, number, and extension)</b>  (503) 947-7497	<b>11d. E-mail address</b> John.P.Jones@Oregon.Gov
<b>11e. Date report submitted (month/day/year)</b>	
<b>C. PROGRESS OF SECTION 1332 WAIVER - General</b>	
<b>12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver.</b> <b>Operations</b>  <p>The Oregon Reinsurance Program completed the reimbursement of health care claims submitted by the seven health insurance companies in Oregon's Individual health insurance Marketplace. This process consisted of eligible health insurance companies submitting claims for calendar year 2018 and paid by June 30, 2019. Claims had to be received by July 15, 2019 to qualify for reimbursement. Division of Financial Regulation had two healthcare claims auditors conducted both desk and on-site audits carriers submitting claims. Our auditor's selected a stratified sample of health care claims for a 98 percent confidence level and 1 percent error rate.</p> <p><b>Audit Results</b></p> <p>DFR auditors disallowed two insurance companies claims with values of \$800,005 and \$109,613. These amounts deducted from the initial request as the claims were not paid prior to June 30, 2019. The other five insurance companies claims errors fell below the 1 percent error rate, which resulted in no change to their initial healthcare claims request.</p> <p><b>ORP Claims Reimbursement</b></p>	

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Payments to all seven carriers was made on November 19, 2019.

The Agency decided to temporarily amend OAR 836-150-0040, which raised the coinsurance rate from 50 to 59.2 percent. This allowed the Agency to reimburse the fully budget \$90 million. The temporary rule will expire on April 21, 2020 (180 days).

### **Program Dates and Time-lines**

**10/24/19: Post Award Forum for PPACA 1332 Waiver**  
**11/14/19: Insurers pay third quarterly assessment (2019) under HB 2391**  
**11/19/19: Target date for ORP to reimburse insurers for 2018 eligible claims**  
**11/29/19: 3rd Quarter Report Due to CMS**  
**01/01/20: Administrative Rules for HB2010 (2019) adopted**  
**01/01/20: HB2010 (2019) supersedes HB2391 (2017)**  
**01/01/20: Begin preparing draft for 2019 Annual Report**  
**02/14/20: Insurers pay fourth quarterly assessment (2019) under HB 2391**  
**03/30/20: 2019 Annual Report/4th quarter due to CMS**  
**05/14/20: Insurers Pay first quarterly assessment (2020) under HB 2010**  
**08/14/20: Insurers pay second quarterly assessment (2020) under HB 2010**  
**08/31/20: 2nd Quarter Report Due to CMS**  
**09/15/20: Pass-Through Funding Report 2021 for SLCS and total non-group premium data**  
**10/31/20: Scheduled date for CMS to notify ORP of 2019 pass-through funding (notice still pending)**  
**11/14/20: Insurers pay third quarterly assessment (2020) under HB2010**  
**11/29/20: 3rd Quarterly Report Due to CMS**  
**12/31/20: Deadline to incur claims to be included in 2019 claims submission**  
**01/01/21: Begin preparing draft for 2020 Annual Report to CMS**

**13. Describe any implementation and/or operational challenges, including plans for and results of associated corrective actions. After the first quarter, only report on changes and/or updates, as appropriate.**

The agency will hold an after action review soon. This review will focus on how we can we improve calendar year 2019 claims processing. We will look at those things that went well and those that can be improved. From this we will update our standard operating procedure.

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<b>D. POST-AWARD FORUM</b> <i>(for Quarter Post-Award Forum was held)</i>
<p><b>14. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance?</b></p> <p><input checked="" type="radio"/> <b>Yes</b></p> <p><input type="radio"/> <b>No</b></p>
<p><b>15. State website address where Post-Award Forum was advertised</b></p> <p><a href="https://dfr.oregon.gov/business/reg/health/Pages/oregon-reinsurance-program.aspx">https://dfr.oregon.gov/business/reg/health/Pages/oregon-reinsurance-program.aspx</a></p>
<p><b>16. Date Post-Award Forum took place</b></p> <p>10/24/2019 from 1:00 pm to 3:00 pm (PST)</p>
<p><b>17. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments.</b></p> <p>The Post Award Forum took place the L&amp;I Building 350 Winter Street NE Salem, Oregon. Eight people attended in person and 20 called in. The meeting began with an overview of the program. The Agency provided printed materials including the ORP overview and slide show. No foreign translator nor sign-language professional were requested. The presenters panel consisted of DCBS/Division of Financial Regulation's actuarial, policy, insurance institutions, ORP Program Manager, and Deputy Director of Operations. Once the slide show presentation concluded, the Agency held a question and answer session.</p> <p>The question session centered on a retired state administrator and small business owner. The small business owner wanted to know why the Agency's risk stabilization program does not provide benefits for options for her? She stated she was apposed to Measure 101 which asks citizens to vote on whether to approve of reject a temporary assessment created as part of HB 2391 (2017) to address certain health care funding issues. Further, she pays over \$1,100 per month for health insurance. The additional assessments puts a strain on her business. Even though, the ORP helps other less fortunate citizens acquire health care coverage on the individual market, she saw no benefit to the program.</p> <p>Our panel of subject-matter-experts explained the overall effects of the Agency Program. The small business owner did not realize the Agency program supports a part of the Oregon Health Authorities, State Medicaid Program. They also explained how the ORP helps stabilize the Individual Health Insurance Market by suppressing premium rates and increasing health insurer competition within each county. This competition promotes the growth of at least two insurers in every county in Oregon. The small business owner explained that she was glad she attended, and learned more about the program to take back to her community.</p> <p>There were no other comments.</p>
<p><b>18. Other Attachments (attach other documents as needed pertaining to Post-Award Form</b></p>