Standard Plans Advisory Working Group September 28, 2021

Standard Plan WG Members and Attendees

Dania Palanker, Chair

Robert Metz, Jennifer Storm– CareFirst BlueCross BlueShield (CF)

Allison Mangiaracino, Denise Barton, Stephen Chuang, Sam Ongwen, Theresa Young, Devi Vijayakumari – Kaiser Permanente (KP)

Keith Blecher, UnitedHealth Group

Janice Davis – Producer

Cheryl Fish-Parcham -Families USA

Howard Liebers – DISB

Tammy Tomczyk, Peter Scharl– Oliver Wyman

Mary Beth Senkewicz, Jennifer Libster – HBX Staff

Meeting Notes

Peter: Ask from last week, to look at other metal levels, in addition to silver. And to look at what changes would be needed to keep those plans compliant with AV.

Platinum – the changes discussed would have a small impact on AV, but still within the mental level requirements, so not additional changes are needed.

Gold: was already right at the top of the range, so with adjustments it went over the AV cap. With an $50 adjustment to MOOP, would meet AV

Silver- had more of an impact on AV. Would be compliant with AV if add $200 to deductible

Bronze – looking at copay plan. Did not look at HSA plan as they did not think the cost sharing adjustments would comply with IRS rules, so did not modify that standard plan.

To meet AV on bronze - Applying the necessary adjustments in the metal AV calculation for diabetic and low-value services, results in a metal AV of 65.03%

Adjustments were made to the inputs for the “Laboratory Outpatient and Professional Services” and to the drug deductible, in addition to the copay amount which occurs after the deductible has been met, to account for $0 diabetic services

If OOP cap was raised by $50, with other changes, would meet AV.

Mary Beth: Can you clarify the two bullets on Bronze.

Peter: had to make some additional adjustments to the adjustments, did not change the logic.

Confirming that adding $50 to the MOOP was all that was needed to meet AV.

Dania: can we start with questions about the adjustments to metal level to make sure everyone is on the same page.

Stephen: If bronze HSA does not have adjustments does this mean the plan will have the diabetes cost sharing?

Mary Beth: no, I'm not sure if you can meet IRS rules with the diabetes adjustments. No changes on this on the HSA plan for now. But will confirm.

Looking at the Silver calculator screen shot, you left the cost sharing the same as compared to the base. Did you try adjusting them to create an effective copay.

Peter: the impact on diabetes within those categories, to determine an effective copay, the adjustments would be so small that they did not need to determine the effective copay,

Cheryl: are there possible calculations for the deductible on Silver. Are there other areas we could increase cost sharing to avoid raising deductible?

Peter: yes, there are several other options, for example, raising the MOOP.

Mary Beth: we may want to explore other options, in addition to raising the deductible.

Dania: if no other questions, we can move into a general discussion.

One is talking about other potential changes to cost-sharing?

What other covered services are we talking about?

First – talking about what services the cost sharing should apply to. For the services, are there other areas that we should be looking at? Mentioned KPs email.

Not seeing anything. Should we start with what was proposed by KP?

Mary Beth: reading KP email from Allison. Proposing that we eliminate cost sharing only for lab tests, office visits (PCP and specialists), and preferred RX.

Dania: could you expand on this Allison?

Allison: yes. KP is thinking about the recommendations and VBID, idea is to remove barriers to care to improve adherence and outcomes.

They have two concerns. By including everything, this is going beyond VBID and the downstream treatments for diabetes are the services we are trying to prevent. Want to promote upfront treatments for diabetes.

As a policy, we are determining who is and is not insulated from costs by condition. They have concerns about insulating some patients from cost sharing but not others.

Mary Beth: we already have no cost sharing for insulin and DME. So that would still be the same?

Allison, Yes. But current proposal to include all preferred RX goes beyond insulin.

Mary Beth: preferred drugs, but all the carriers have different formularies. Would preferred drugs be the same for all carriers?

Dania: the carriers do have different formularies.

Do others have questions or proposal for other covered services?

Cheryl – this sounds good to me. How would we make sure RX are all covered under preferred?

Rob, agree to limiting to preferred drugs. There is always an exceptions process that could be used for non-formulary drugs.

Dania: can we check that all carriers cover RX as preferred?

Rob: we can run this down, they are having an operational discussion.

Dania: for covering preferred drugs only is there an operational way to do this.

No other questions.

I think it makes sense to have the actuaries cost out the KP proposal.

Question 2, instead of raising deductible, are there other places we should shift cost sharing?

Some areas we could raise: OOP Max, this would impact fewer people, but from an equity lens, this would hit the most medically fragile. Don't want to hit the people who are medically vulnerable.

Other option is cost sharing for other services. E.g. ER

Cheryl: if we use KP's approach, would this solve the issue or would we still need offsets?

Peter: it would be helpful to get feedback on other services

Dania: do you still need to run KPs proposal?

Peter: yes, specifically on the Rx side. We would need input on preferred brand drugs. What would typically fall under that category

Mary Beth: can the carriers send preferred drugs that are for type 2 diabetes.

Rob: yes we can send that over.

Mary Beth: would also include office visits and labs. Are those all ok?

Peter: yes, only issue will be preferred Rx.

Rob: Start with OOP limit. From their view it impacts the least number of people. Deductibles will hit everyone, so they prefer OOP cap over deductible.

Dania: we should see what the impact on MOOP would be. What do others think?

Other proposal- look at increases across the board (e.g. $5 across the board. If less than $5 could be confusing for consumers

Cheryl: it might be good to determine what is the over all increased costs to HBX?

Mary Beth: any 1332 waiver would be time consuming

Rob: thinks would require statutory authority

Cheryl: thinking longer term should think about 1332 waiver

Dania: we want to calculate KP proposal and then calculate the MOOP.

1 – just run KP proposal

2 – KP proposal with MOOP.

Dania: if there are any operation questions that arise, please share sooner rather than later

Thank you