

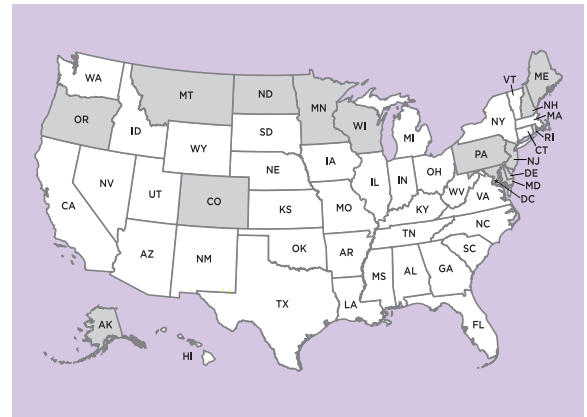
CCIO DATA BRIEF SERIES

State Innovation Waivers: State-Based Reinsurance Programs

AUGUST 2021

BACKGROUND

Section 1332 of the Affordable Care Act (ACA) permits states to apply for waivers from certain ACA requirements to pursue innovative and individualized state strategies that provide their residents with access to affordable, quality health care, subject to approval by the Department of Health and Human Services (HHS) and the Department of the Treasury (collectively, the Departments). In order for a section 1332 waiver to be approved, the Departments must determine that the waiver will provide coverage that is at least as comprehensive as the coverage provided without the waiver; will provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as without the waiver; will provide coverage to at least a comparable number of residents as without the waiver; and will not increase the federal deficit. States were first able to apply for section 1332 waivers beginning on January 1, 2017, and to date, the Departments have approved 16 states' waivers.



As of Plan Year (PY) 2021, 14 states with approved section 1332 waivers operate state-based reinsurance programs by waiving the single risk pool requirement under section 1312(c)(1) of the ACA to the extent that it would otherwise require excluding total expected state reinsurance payments when establishing the market-wide index rate.ⁱ

The data presented below provide an overview of the state-based reinsurance programs implemented as of PY 2021 under currently approved section 1332 waivers (referred to throughout this report as section 1332 state-based reinsurance waivers), including relevant information about premiums, issuer participation, plan offerings, and enrollment.ⁱⁱ

CURRENTLY APPROVED SECTION 1332 STATE-BASED REINSURANCE WAIVERS

Funding Sources and Program Design Elements

Tables 1 and 2 summarize state funding sources and programmatic elements for currently operating section 1332 state-based reinsurance waivers.ⁱⁱⁱ Through section 1332 waivers, states have designed and implemented different reinsurance models, including: a claims cost-based model, where issuers are reimbursed for a portion of the costs of enrollees whose claims exceed an attachment point (CO, DE, MD, MN, MT, ND, NH, NJ, OR, PA, RI, WI); a conditions-based model, where insurers are reimbursed for costs of individuals with one or more of pre-determined high-cost conditions (AK); or a hybrid conditions and claims cost-based model (ME).

ⁱ State-based reinsurance programs are distinct from the temporary federal reinsurance program that was effective for the 2014 through 2016 benefit years, the latter having been established via section 1341 of the ACA. The goal of the ACA's temporary reinsurance program was to stabilize individual market premiums during the early years of the federal market reforms that took effect beginning in 2014.

ⁱⁱ The information contained in this report does not reflect the American Rescue Plan Act of 2021, or other factors that may have led the states to update their PY 2021 parameters since submitting rate filings for the 2021 plan year (e.g., the Departments' 2021 pass-through estimates).

ⁱⁱⁱ State legislation authorizing states' funding sources are listed in the endnotes.

TABLE 1

State Funding Sources for Section 1332 State-Based Reinsurance Waivers

State	First Year of Operation Under a Waiver	State Funding Sources ^{iv}
Alaska	2018	Alaska funds the state portion of its section 1332 state-based reinsurance waiver through a separate fund called the Alaska Comprehensive Health Insurance Fund. This fund is established within Alaska's general fund and financed by the state's premium tax that applies to all lines of insurance (not just health insurers) in Alaska. ¹ Premium tax rates vary from 0.75% to 6% depending on insurer type.
Colorado	2020	Colorado funds the state portion of its section 1332 state-based reinsurance waiver through the Colorado Health Insurance Affordability Enterprise (Enterprise). The Enterprise was established under Colorado Senate Bill 20-215 in June 2020. ² The main source of funding for the Enterprise is drawn from a fee on health insurers who would otherwise be subject to the now repealed federal Health Insurance Provider Fee under Section 9010 of the ACA. For PYs 2022 and 2023 only, Colorado will administer a special assessment on hospitals. A portion of the state's health insurance premium tax revenue will also go to the Enterprise. Money from the state's general fund is available for section 1332 state-based reinsurance waiver administration only.
Delaware	2020	Delaware funds the state portion of its section 1332 state-based reinsurance waiver through an assessment on carriers and any person or entity subject to state regulation that provides either 1) products that would otherwise be subject to the federal Health Insurance Providers Fee under Section 9010 of the ACA; or 2) products subject to a state assessment. The state assessment is 2.75% of premium annually in years that the Health Insurance Providers Fee is waived, and 1% of premium annually in years that the Health Insurance Providers Fee is assessed. ³
Maine	2019	Maine funds the state portion of its section 1332 state-based reinsurance waiver through 1) a market-wide assessment (\$4 per member/per month), and 2) a ceding premium equal to 90% of premiums received from consumers for all policies ceded, whether on a mandatory or discretionary basis. ⁴
Maryland	2019	In PY 2019, Maryland funded the state portion of its section 1332 state-based reinsurance waiver through a 2.75% state assessment on certain health insurance carriers. ⁵ The assessment equals the amount carriers otherwise would have been subject to under the now-repealed federal Health Insurance Providers Fee of Section 9010 of the ACA. Maryland extended and reduced the assessment to 1% for PYs 2020-2023. ⁶
Minnesota	2018	Minnesota funds the state portion of its section 1332 state-based reinsurance waiver through its general fund and a portion of past accumulations of the state's 2% provider tax, which applies to hospitals and other providers. ⁷
Montana	2020	Montana funds the state portion of its section 1332 state-based reinsurance waiver through a 1.2% annual state assessment on major medical health insurance premiums. ⁸
New Hampshire	2021	New Hampshire funds the state portion of its section 1332 state-based reinsurance waiver through a premium assessment of 0.6% of the previous year's second lowest cost silver plan without waiver rate across all licensed health insurance issuers in the state's individual and group health insurance markets with some exceptions. ^{9,10}
New Jersey	2019	New Jersey funds the state portion of its section 1332 state-based reinsurance waiver from revenue raised by shared responsibility payments per the state individual mandate, ¹¹ and if necessary, the state general fund.
North Dakota	2020	North Dakota funds the state portion of its section 1332 state-based reinsurance waiver through a state assessment on insurers writing in the small and large group health insurance markets. North Dakota allows insurers to deduct the assessment from the state premium tax. ¹² The PY 2020 assessment on the insurers was approximately \$22M. Assessments were suspended in the third quarter of PY 2020 and the suspension is expected to continue through PY 2021.
Oregon	2018	For PYs 2018 through 2019, Oregon funded the state portion of its section 1332 state-based reinsurance waiver through a phased-in 1.5% state premium assessment levied on major medical premiums and, for PY 2018 only, Oregon also used excess fund balances held in two state programs, the Oregon Health Insurance Marketplace (OHIM) fund and the Oregon Medical Insurance Pool (OMIP) account. ¹³ Starting in PY 2020, Oregon made two changes to the assessments: 1) increased the premium assessment to 2%, and 2) expanded the assessment to apply to premiums derived from "insurance described in ORS 742.065" (stop loss insurance). ^{14,15}
Pennsylvania	2021	Pennsylvania funds the state portion of its section 1332 state-based reinsurance waiver through a portion of a user fee that is 3.0% of premiums and assessed on issuers participating in the Pennsylvania Health Insurance Exchange and other available state sources. This fee only affects individual market issuers, as there are currently no participating SHOP issuers. ¹⁶
Rhode Island	2020	Rhode Island funds the state portion of its section 1332 state-based reinsurance waiver through a state appropriation for the Health Insurance Market Integrity Fund to support operation and administration of the program, and from penalties collected from the state individual mandate. ^{17,18}
Wisconsin	2019	Wisconsin funds the state portion of its section 1332 state-based reinsurance waiver through state general purpose revenue (GPR), which consists of general taxes, miscellaneous receipts, and revenues collected by the state. The state is able to appropriate GPR for the Wisconsin Healthcare Stability Plan (WIHSP) through a sum sufficient appropriation. ¹⁹

^{iv} Unless otherwise indicated, the state funding sources presented reflect all active years to date of a given state's reinsurance program.

TABLE 2

Program Design Elements of Section 1332 State-Based Reinsurance Waiver

State	Type of Reinsurance Program	Program Parameters
Alaska	Conditions Based	<p>Total Amount of of Reinsurance Payments* Planned*/Paid: \$60M*/\$60M (2018) \$69M* (2020) \$64.1M*/\$64.1M (2019) \$80M* (2021)</p> <p>Eligibility: For 2018 and 2019, Alaska covered all the costs of claims for one or more of 33 conditions specified in state regulation. For 2020 and 2021, Alaska expanded coverage to include an additional HCC condition to address severe COVID-19 cases.</p> <p>Cap: None, but for claims above \$1M the program pays net of amounts covered by the federal risk adjustment program high-cost risk pool (2018-2021).</p>
Colorado	Claims Cost Based	<p>Total Amount of Reinsurance Payments Planned*: \$250M* (2020) \$262M* (2021) Colorado's program specifies a three-tier structure for coinsurance rates, with targeted reduction in claim costs by rating area.</p> <p>Attachment point: Coinsurance rate: Cap: \$30,000 (2020/2021) Average 60% (2020) \$400,000 (2020/2021) Average 55% (2021)</p> <p>Tiers:</p> <ul style="list-style-type: none"> • Tier 1 (Rating Areas 1, 2, 3 for Boulder, Colorado Springs, Denver): Claim costs are to be reduced by between 15% and 20%; • Tier 2 (Rating Areas 4, 6, 7, 8 for Fort Collins, Greeley, Pueblo, Eastern Plains, central southern part of state): Claim costs are to be reduced by between 20% and 25%; • Tier 3 (Rating Areas 5 and 9 for Grand Junction, Mountain Areas, Western Slope, western half of state): Claim costs are to be reduced by between 30% and 35%.
Delaware	Claims Cost Based	<p>Total Amount of Reinsurance Payments Planned*: \$26.9M* (2020) \$39.3M* (2021)</p> <p>Attachment point: Coinsurance rate: Cap: \$65,000 (2020/2021) 75% (2020) \$215,000 (2020) 80% (2021) \$335,000 (2021)</p>
Maine	Hybrid (Attachment Point/Conditions Based)	<p>Total Amount of of Reinsurance Payments Planned*/Paid: \$89.7M*/\$90.5M (2019) \$86M* (2021) \$81.8M* (2020)</p> <p>Eligibility: There are two types of ceding to the Maine Guaranteed Access Reinsurance Association (MGARA) for reinsurance benefits: 1) all policies covering individuals with one of eight listed high-risk health conditions are required to be ceded, and 2) any other policies may be ceded at the carrier's discretion.</p> <p>Attachment point: Coinsurance rate: Cap: \$47,000 (2019) • 90% for \$47,000-\$77,000 (2019); None, but for claims \$65,000 (2020/2021) \$65,000-\$95,000 (2020/2021) above \$1M the program • 100% for >\$77,000 (2019); >\$95,000 (2020/2021) and pays net of amounts a percentage of claims above covered by the federal \$1M, which are not partially risk adjustment covered by the high-cost risk program high-cost risk pool under the federal risk pool (2019-2021) adjustment program (2019-2021)</p>

Program Design Elements of Section 1332 State-Based Reinsurance Waiver

State	Type of Reinsurance Program	Program Parameters		
Maryland	Claims Cost Based	Total Amount of of Reinsurance Payments Planned*/Paid: \$462M*/\$352.8M (2019) \$416.8M* (2021) \$400M* (2020)		
		Attachment point:	Coinsurance rate:	Cap:
		\$20,000 (2019-2021)	80% (2019-2021)	\$250,000 (2019-2021)
Minnesota	Claims Cost Based	Total Amount of of Reinsurance Payments Planned*/Paid: Up to \$271M** (2018/2019) \$165.8M* (2020) \$136.1M (2018) \$204.5M* (2021) \$149.7M (2019)		
		Attachment point:	Coinsurance rate:	Cap:
		\$50,000 (2018-2021)	80% (2018-2021)	\$250,000 (2018-2021)
Montana	Claims Cost Based	Total Amount of Reinsurance Payments Planned*: \$32.9M* (2020) \$39.5M* (2021)		
		Attachment point:	Coinsurance rate:	Cap:
		\$40,000 (2020/2021)	60% (2020/2021)	\$101,750 (2020/2021)
New Hampshire	Claims Cost Based	Total Amount of Reinsurance Payments Planned*: \$45.5M* (2021)		
		Attachment point:	Coinsurance rate:	Cap:
		\$60,000 (2021)	74% (2021)	\$400,000 (2021)
New Jersey	Claims Cost Based	Total Amount of of Reinsurance Payments Planned*/Paid: \$295M*/\$267.7M (2019) \$397.5M* (2021) \$320M* (2020)		
		Attachment point:	Coinsurance rate:	Cap:
		\$40,000 (2019/2020)	60% (2019/2020)	\$215,000 (2019/2020)
		\$35,000 (2021)	50% (2021)	\$245,000 (2021)
North Dakota	Claims Cost Based	Total Amount of Reinsurance Payments Planned*: \$47.3M* (2020) \$24.7M* (2021)		
		Attachment point:	Coinsurance rate:	Cap:
		\$100,000 (2020/2021)	75% (2020/2021)	\$1M (2020/2021)
Oregon	Claims Cost Based	Total Amount of of Reinsurance Payments Planned*/Paid: \$90M*/\$90M (2018) \$101.8M* (2020) \$95.4M*/\$94.5M (2019) \$104.3M* (2021)		
		Attachment point:	Coinsurance rate:	Cap:
		\$95,000 (2018)	59.2% (2018)	\$1M (2018-2021)
		\$90,000 (2019/2020)	50% (2019-2021)	
		\$83,000 (2021)		
Pennsylvania	Claims Cost Based	Total Amount of Reinsurance Payments Planned*: \$133.9M* (2021)		
		Attachment point:	Coinsurance rate:	Cap:
		\$60,000 (2021)	60% (2021)	\$100,000 (2021)

TABLE 2, cont.

Program Design Elements of Section 1332 State-Based Reinsurance Waiver

State	Type of Reinsurance Program	Program Parameters		
Rhode Island	Claims Cost Based	Total Amount of Reinsurance Payments Planned*: \$14.7M* (2020) \$19.3M* (2021)		
		Attachment point: \$40,000 (2020) \$30,000 (2021)	Coinsurance rate: 50% (2020) 50% (2021)	Cap: \$97,000 (2020) \$72,000 (2021)
Wisconsin	Claims Cost Based	Total Amount of of Reinsurance Payments Planned*/Paid: \$200M*/\$174.3M (2019) \$200M* (2020/2021)		
		Attachment point: \$50,000 (2019) \$40,000 (2020/2021)	Coinsurance rate: 50% (2019/2020) 48% (2021)	Cap: \$250,000 (2019) \$175,000 (2020/2021)

^v In Table 2 for **Total Amount of Reinsurance Payments**, values marked with one asterisk (*) indicate the total planned cost of the reinsurance payments for eligible claims, which is the state's estimated total reinsurance reimbursements for a given reporting year for eligible claims expected to be incurred in the individual market.

Values marked with two asterisks (**), in the case of Minnesota, indicate the maximum program size (\$271M) for PYs 2018 and 2019, such that the actual program size will fully cover reimbursements to carriers for 80% of the costs between \$50,000 and \$250,000 for individual claims. However, there is general agreement between the state's model and carriers' models that an approximate 20% reduction in premiums is the result of the state's program parameters (i.e., attachment point, coinsurance rate, and cap), which are the most relevant information the carriers need and use to develop rates.

Values without any asterisks indicate the total actual amount paid out by the state for reinsurance payments in the individual market for a given reporting year where known. The final total amount paid out by the state for a given reporting year is typically available in the following PY. Furthermore, the total actual amount does not include the expected operational costs associated with running the state-based reinsurance program.

The average premium reduction rates in the with waiver scenario compared to the without waiver scenario for a given PY (as seen in Table 3) reflect the total planned cost of the reinsurance payments for eligible claims. Note that the total planned costs for PYs 2020 and 2021 do not yet reflect potential cost changes due to COVID-19 or the American Rescue Plan Act of 2021. States may update their program budgets and payment parameters as more claims and enrollment data are received.

Premiums

Table 3 presents the actual impact of the section 1332 state-based reinsurance waiver on statewide average premiums each year of the waiver's operation compared to the estimated impact on statewide average premiums in the first year of the waiver (i.e., as estimated in the original state waiver application). From PYs 2018 to 2021, states that have implemented section 1332 state-based reinsurance waivers for the individual market have reduced statewide average second-lowest-cost silver plan premiums by a range of 3.75% to 41.17% relative to premiums absent the waiver, as shown in Table 3.

TABLE 3
Statewide Average Premium Impact of Section 1332 State-Based Reinsurance Waivers^{vi}

State	First Year of Operation Under a Waiver	Estimated Statewide Average Premium Reduction in First Year of Waiver ^{vii}	Actual Statewide Premium Reduction from Waiver Compared to No Waiver ^{viii}			
			2018	2019	2020	2021
Alaska	2018	Up to a 20% reduction	30.18%	33.95%	37.12%	41.17%
Minnesota	2018	Up to a 20% reduction	16.78%	20.16%	21.29%	21.31%
Oregon	2018	Up to a 7.5% reduction	7.15%	6.71%	8.00%	8.05%
Maine	2019	Up to a 9% reduction		13.86%	7.24%	9.11%
Maryland	2019	Up to a 30% reduction		39.63%	35.83%	34.0%
New Jersey	2019	Up to a 15% reduction		15.49%	16.93%	16.02%
Wisconsin	2019	Up to an 11% reduction		9.92%	11.04%	13.04%
Colorado	2020	Up to a 16% reduction			22.44%	18.47%
Delaware	2020	Up to a 20% reduction ^{ix}			13.78%	15.80%
Montana	2020	Up to an 8% reduction			8.89%	9.38%
North Dakota	2020	Up to a 20% reduction			20.03%	12.14%
Rhode Island	2020	Up to a 5.9% reduction			3.75%	6.40%
Pennsylvania	2021	Up to a 4.6% reduction				4.92%
New Hampshire	2021	Up to a 16% reduction				13.90%
Overall State Average Premium Reduction Among States with Approved Section 1332 State-Based Reinsurance Waivers^x			12.73%	17.84%	17.65%	14.13%

^{vi} The statewide average premium is an average of premiums among rating areas in the state, with each rating area given an equal weight. Enrollment data by rating area are unavailable.

^{vii} The estimated statewide average premium reduction for the first year of the waiver is provided by each state as part of its waiver application.

^{viii} The actual statewide average premium reductions are calculated using per person per month premium information submitted by each state for pass-through calculations pertaining to each year of the approved waiver. Consistent with the specific terms and conditions of its waiver, each state provides to the Departments: (1) the final second lowest cost silver plan (SLCSP) rates for a representative individual (e.g., a 21-year-old nonsmoker) in each rating area with the approved waiver; and (2) the state's estimate of what the final SLCSP rates for a representative individual in each rating area would have been absent approval of the waiver for each year of the approved waiver.

^{ix} Delaware estimated a 13%-20% average premium reduction, depending on the level of funding expected to be available for each plan year, plus any additional assumed morbidity improvement, as explained in its application.

^x Overall average premium reduction uses 2018 risk adjustment premium to weight each state's premium reduction and estimate an overall premium reduction across states with approved section 1332 state-based reinsurance waivers.

Issuer Participation

Table 4 shows changes in individual market Exchange issuer participation among states with section 1332 state-based reinsurance waivers. Figures 1 and 2 illustrate the change in individual market Exchange issuer participation in these states comparing PYs 2017 (before any reinsurance waivers were operational)^{xi} and 2021 on national maps. Table 5 presents a summary of the percentage of enrollees with access to 1, 2, or 3+ individual market Exchange issuers in states with operational section 1332 state-based reinsurance waivers, compared to the percentage of individual market Exchange enrollees in all states across the U.S.

TABLE 4
Individual Market Issuer Exchange Participation in States with
Section 1332 State-Based Reinsurance Waivers^{xii}

State	First Year of Operation Under a Waiver	On-Exchange, Individual Market Issuer Participation ^{xiii}				
		2017	2018	2019	2020	2021
Alaska	2018	1	1	1	2 [^] Re-entry: Moda	2
Minnesota	2018	4	4	4	4	5 [^] Entry: Quartz Health Solutions
Oregon	2018	6	5 Exit: ATRIO Health Plans	5	5	6 [^] Entry: Cambia Health Solutions (additional HIOS ID)
Maine	2019	3	2 Exit: Anthem	3 [^] Re-entry: Anthem	3	3
Maryland ^{xiv}	2019	3	2 Exit: Cigna	2	2	3 [^] Re-entry: UnitedHealth Group
New Jersey	2019	3	4 [^] Entry: Mulberry Health (Oscar)	4	4	4
Wisconsin	2019	15	11 Exits: Anthem, Franciscan Health Solutions, Gundersen Health System, Molina Healthcare	12 [^] Re-entry: Molina	13 [^] Re-entry: WPS Health Plan, Inc.	14 [^] Re-entry: Anthem
Colorado	2020	7	7	7	8 [^] Entry: Oscar Health	8
Delaware	2020	3	1 Exits: Aetna (two separate HIOS IDs)	1	1	1
Montana	2020	3	3	3	3	3
North Dakota	2020	3	2 Exit: Medica	3 [^] Re-entry: Medica	3	3
Rhode Island	2020	2	2	2	2	2

TABLE 4, cont.

Individual Market Issuer Exchange Participation in States with
Section 1332 State-Based Reinsurance Waivers^{xii}

State	First Year of Operation Under a Waiver	On-Exchange, Individual Market Issuer Participation ^{xiii}				
		2017	2018	2019	2020	2021
Pennsylvania	2021	8	9 [^] Entry: Highmark (additional HIOS ID)	11 [^] Entry: Centene Re-entry: Geisinger Health (additional HIOS ID)	12 [^] Entry: Mulberry Health (Oscar)	12
New Hampshire	2021	4	3 Exit: Minuteman Health	3	3	3

TABLE 5

Percent of Enrollees with Access to 1, 2, 3+ Individual Market Exchange Issuers,
Compared to Overall U.S.^{xv}

Section 1332 State-Based Reinsurance Waiver States	1 Issuer		2 Issuers		3+ Issuers	
	2020	2021	2020	2021	2020	2021
	4%	3%	14%	9%	82%	88%
Overall U.S.	9%	3%	18%	15%	73%	82%

^{xi} Note that Alaska began operating a state reinsurance program in 2017, prior to the first year of its approved section 1332 state-based reinsurance waiver.

^{xii} For states with a Federally-facilitated Exchange (FFE), CMS issuer counts are based upon the number of unique Health Insurance Oversight System (HIOS) IDs. Issuers represent the organization within an insurance company that is responsible for insurance offerings in a given state. Registering an entity as an Issuer within HIOS will generate a unique Issuer ID. FFE 2021 data reflected in this table are point in time as of October 2, 2020. State-Based Exchange (SBE) 2021 data reflected in this table are self-reported from the Exchanges to CMS. These data are point in time as of October 30, 2020 for the following 1332 waiver states: Colorado, Maryland, Minnesota, New Jersey, and Rhode Island, and August 30, 2020 for Pennsylvania. Note that New Jersey and Pennsylvania transitioned from FFEs to SBEs in PY 2021. Issuers offering partial county coverage are considered participating in a county and are included in the total number of issuers in a county. Issuers that partially cover counties do not cover every zip code in the county.

^{xiii} [^]Denotes a new issuer participating (entry or re-entry) in the individual market from the previous year.

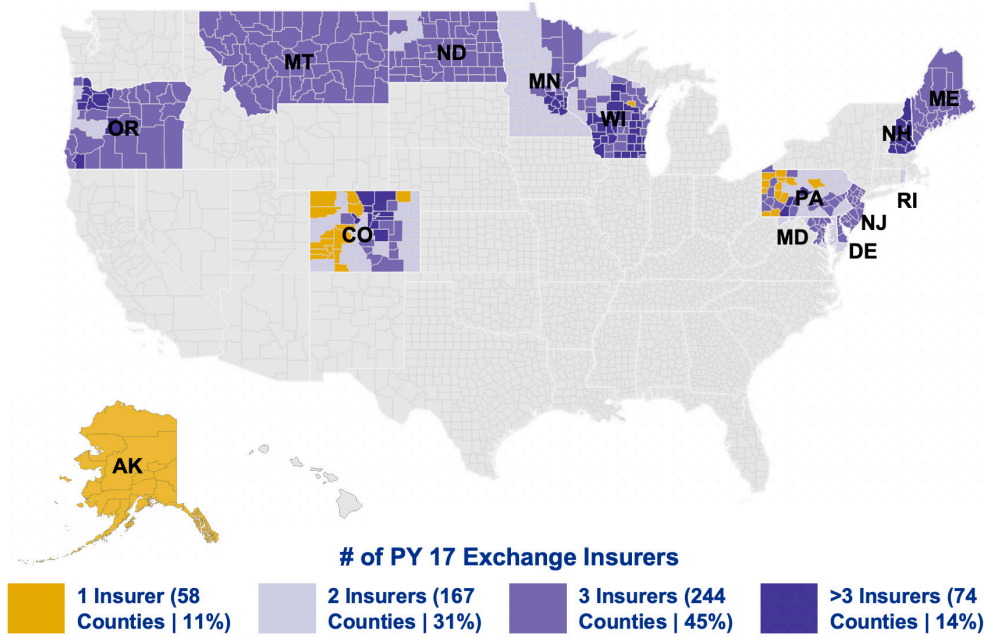
^{xiv} To ensure that the total counts of issuers within a state or county are consistent with SBE reporting BlueChoice (HIOS 28137), CFMI (HIOS 45532), and GHMSI (HIOS 94084) in Maryland have been aggregated to the parent company level (CareFirst BlueCross BlueShield).

^{xv} Methodology note for Table 5: The number of issuers in each county was counted and weighted by the county enrollment. That weighted issuer count was then divided by the total enrollment. Because data for SBE states are not available for all years (i.e., data are not available for Colorado for 2018 and not available for Minnesota for 2018 and 2019), only PYs 2020 and 2021 are shown, which account for all states with operational section 1332 state-based reinsurance waivers for those particular years. To calculate national trends, Los Angeles County, California has two rating areas where issuers could possibly participate on the State's Exchange in the individual market. Since Los Angeles County has a very large number of enrollees, the two rating areas in the county are treated as separated counties for purposes of these calculations.

FIGURES 1 and 2

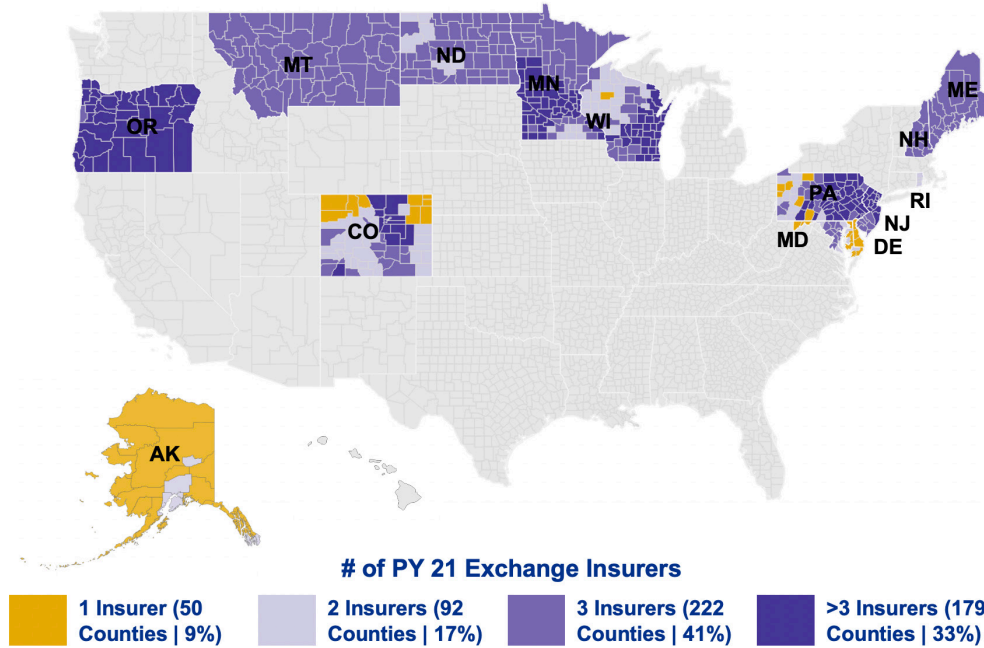
Individual Market Issuer Participation on the Exchanges in States with
Section 1332 State-Based Reinsurance Waivers^{xvi}

2017



Map is as of 11/02/2017 for FFE states and as of 11/17/2017 for SBE states

2021



Map is as of 10/02/2020 for FFE states, as of 10/30/2020 for SBE states, and as of 08/30/2020 for PA

^{xvi} For illustrative purposes, PY 2017 is provided as a comparison year to PY 2021 because section 1332 waivers were not yet operational in PY 2017, and the first waivers went into effect in PY 2018. Note that for some states, issuers exited the state's individual marketplace prior to the state's implementation of a section 1332 state-based reinsurance waiver, and some states' waivers began operating as recently as PY 2021. For each state's first year of operation and issuer count across PYs 2017 through 2021, please refer to Table 4 above.

Plan Offerings

Table 6 shows the average number of qualified health plans (QHPs) by metal level per county, weighted by enrollment in states with section 1332 state-based reinsurance waivers. Table 7 summarizes the average number of QHPs weighted by enrollment available in states with section 1332 state-based reinsurance waivers, compared to the average number of QHPs available in all states across the U.S.

TABLE 6
Average Number of QHPs per County Weighted by Enrollment in States with
Section 1332 State-Based Reinsurance Waivers^{xvii}

State	First Year of Operation Under a Waiver	Metal Level	PY18	PY19	PY20	PY21	PY18-PY19 Change (count)	PY19-PY20 Change (count)	PY20-PY21 Change (count)	PY18-PY21 Change (count)
AK	2018	All	5	5	7.7	8.3	0	2.7	0.6	3.3
		Bronze	2	2	3.4	3.6	0	1.4	0.2	1.6
		Silver	2	2	2.7	2.8	0	0.7	0.1	0.8
		Gold	1	1	1.7	1.8	0	0.7	0.1	0.8
		Platinum	0	0	0	0	0	0	0	0
CO	2020	All	N/A	39	47.2	60.8	N/A	8.2	13.6	N/A
		Bronze	N/A	14.6	17.8	24.1	N/A	3.2	6.3	N/A
		Silver	N/A	15.7	20.2	25.6	N/A	4.5	5.4	N/A
		Gold	N/A	8.7	9.2	11.1	N/A	0.5	1.9	N/A
		Platinum	N/A	0	0	0	N/A	0	0	N/A
DE	2020	All	6	7	8	11	1	1	3	5
		Bronze	2	2	3	3	0	1	0	1
		Silver	3	3	2	3	0	-1	1	0
		Gold	1	1	2	3	0	1	1	2
		Platinum	0	1	1	2	1	0	1	2
MD	2019	All	15.5	13.6	16.6	25.4	-1.9	3	8.8	9.9
		Bronze	4.6	3.7	5.7	8.3	-0.9	2	2.6	3.7
		Silver	5.4	4.5	4.5	8.1	-0.9	0	3.6	2.7
		Gold	4.6	4.5	5.5	8.2	-0.1	1	2.7	3.6
		Platinum	0.9	0.8	0.8	0.9	-0.1	0	0.1	0
ME	2019	All	15.2	25.5	29.2	31	10.3	3.7	1.8	15.8
		Bronze	6	10	12	13	4	2	1	7
		Silver	7.2	12.5	14.2	14.2	5.3	1.7	0	7
		Gold	2	3	3	3.7	1	0	0.7	1.7
		Platinum	0	0	0	0	0	0	0	0
MN	2018	All	N/A	N/A	28.1	44.7	N/A	N/A	16.6	N/A
		Bronze	N/A	N/A	12.5	17.6	N/A	N/A	5.1	N/A
		Silver	N/A	N/A	10.2	18.5	N/A	N/A	8.3	N/A
		Gold	N/A	N/A	5.3	8.5	N/A	N/A	3.2	N/A
		Platinum	N/A	N/A	0	0	N/A	N/A	0	N/A

TABLE 6, cont.

Average Number of QHPs per County Weighted by Enrollment in States with
Section 1332 State-Based Reinsurance Waivers^{xvii}

State	First Year of Operation Under a Waiver	Metal Level	PY18	PY19	PY20	PY21	PY18-PY19 Change (count)	PY19-PY20 Change (count)	PY20-PY21 Change (count)	PY18-PY21 Change (count)
MT	2020	All	15.8	17.8	20.9	20.9	2	3.1	0	5.1
		Bronze	7.5	8.5	9.3	9.3	1	0.8	0	1.8
		Silver	4.7	5.7	7.3	7.3	1	1.6	0	2.6
		Gold	3.7	3.7	4.3	4.3	0	0.6	0	0.6
		Platinum	0	0	0	0	0	0	0	0
ND	2020	All	8.2	20.6	20.7	21.9	12.4	0.1	1.2	13.7
		Bronze	2.6	9.3	9.3	9.9	6.7	0	0.6	7.3
		Silver	3.2	7	7.1	6.9	3.8	0.1	-0.2	3.7
		Gold	2.3	4.3	4.3	5.1	2	0	0.8	2.8
		Platinum	0	0	0	0	0	0	0	0
NH	2021	All	13.7	14.8	23.4	32.4	1.1	8.6	9	18.7
		Bronze	3	4	9.8	10.8	1	5.8	1	7.8
		Silver	7.9	7.9	10.7	16.6	0	2.8	5.9	8.7
		Gold	2.9	2.9	2.9	4.9	0	0	2	2
		Platinum	0	0	0	0	0	0	0	0
NJ	2019	All	18.6	19.4	20.4	23.4	0.8	1	3	4.8
		Bronze	4.5	4.5	4.5	6.6	0	0	2.1	2.1
		Silver	10.3	10.3	11.3	12.2	0	1	0.9	1.9
		Gold	3.8	4.6	4.6	4.7	0.8	0	0.1	0.9
		Platinum	0	0	0	0	0	0	0	0
OR	2018	All	20.5	25.5	30.4	49.1	5	4.9	18.7	28.6
		Bronze	7	9.8	12.1	20.3	2.8	2.3	8.2	13.3
		Silver	7.2	8.6	10.1	16.3	1.4	1.5	6.2	9.1
		Gold	6.2	7.1	8.2	12.5	0.9	1.1	4.3	6.3
		Platinum	0	0	0	0	0	0	0	0
PA	2021	All	13.5	16.1	26.3	34.7	2.6	10.2	8.4	21.2
		Bronze	3	3.9	8.3	10.5	0.9	4.4	2.2	7.5
		Silver	5.4	6.7	10.7	15.1	1.3	4	4.4	9.7
		Gold	3.7	4	6.5	9	0.3	2.5	2.5	5.3
		Platinum	1.4	1.4	0.7	0	0	-0.7	-0.7	-1.4

TABLE 6, cont.

Average Number of QHPs per County Weighted by Enrollment in States with
Section 1332 State-Based Reinsurance Waivers^{xvii}

State	First Year of Operation Under a Waiver	Metal Level	PY18	PY19	PY20	PY21	PY18-PY19 Change (count)	PY19-PY20 Change (count)	PY20-PY21 Change (count)	PY18-PY21 Change (count)
RI	2020	All	18	18	19	20	0	1	1	2
		Bronze	4	4	4	4	0	0	0	0
		Silver	7	7	7	7	0	0	0	0
		Gold	7	7	7	7	0	0	0	0
		Platinum	0	0	1	2	0	1	1	2
WI	2019	All	31.2	27.6	35.4	49.7	-3.6	7.8	14.3	18.5
		Bronze	9.4	9.2	12.8	19.9	-0.2	3.6	7.1	10.5
		Silver	12.6	11.3	13.8	18.8	-1.3	2.5	5	6.2
		Gold	8.2	6.6	8.3	10.5	-1.6	1.7	2.2	2.3
		Platinum	1.1	0.5	0.5	0.5	-0.6	0	0	-0.6

TABLE 7

Average Number of QHPs Weighted by Enrollment Available in States
with Section 1332 State-Based Reinsurance Waivers Compared to Overall U.S.^{xviii}

Section 1332 State-Based Reinsurance Waiver States	Bronze		Silver		Gold		Platinum		TOTAL	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
	10.0	13.2	11.3	15.0	6.3	8.2	0.2	0.2	27.8	36.6
Overall U.S.	12.3	19.3	15.0	22.9	7.0	9.1	2.2	2.3	36.6	53.6

^{xvii} Methodology note for Table 6: The number of plans in each county and metal level was counted and weighted by the county enrollment. That weighted plan count was then divided by the total enrollment. Data only reflects states with operational section 1332 state-based reinsurance waivers for that year, with some exceptions where state data was unavailable. Data are only available going back to 2018, and data for SBE states are not available for all years (i.e., data are not available for Colorado for 2018 and not available for Minnesota for 2018 and 2019, so their values are set to N/A for those years). Highlighted cells indicate years when a state's section 1332 state-based reinsurance waiver is operational.

^{xviii} Methodology note for Table 7: The number of plans in each county and metal level was counted and weighted by the county enrollment. That weighted plan count was then divided by the total enrollment. Because data for SBE states are not available for all years (i.e., data are not available for Colorado for 2018 and not available for Minnesota for 2018 and 2019), only PYs 2020 and 2021 are shown, which account for all states with operational section 1332 state-based reinsurance waivers for those particular years. To calculate the national trends, Los Angeles County, California has two ratings areas where issuers could possibly offer a different number of plans. Since Los Angeles County has a very large number of enrollees, the two rating areas in the county are treated as separated counties for the purposes of these calculations.

Enrollment

Table 8 displays individual market enrollment both on and off-Exchange for states that began implementing section 1332 state-based reinsurance waivers in PYs 2018 and 2019.

TABLE 8

Individual Health Insurance Market Subsidized^{xix} and Unsubsidized Average Monthly Enrollment for Select States with Section 1332 State-Based Reinsurance Waivers, Compared to Overall U.S.^{xx}

State	First Year of Operation Under a Waiver	Individual Market Enrollment	2016 Individual Market Average Monthly Enrollment	2017 Individual Market Average Monthly Enrollment	2018 Individual Market Average Monthly Enrollment	2019 Individual Market Average Monthly Enrollment
Alaska ^{xxi}	2018	Total	17,596	15,898	16,761	16,533
		Percent Change ^{xxii}		-10%	+5%	-1%
		Subsidized	14,065	13,442	14,125	13,254
		Percent Change		-4%	+5%	-6%
		Unsubsidized	3,531	2,456	2,636	3,279
		Percent Change		-30%	+7%	24%
Minnesota	2018	Total	240,312	155,471	148,943	150,950
		Percent Change		-35%	-4%	1%
		Subsidized	42,631	61,932	62,832	59,219
		Percent Change		+45%	+1%	-6%
		Unsubsidized	197,681	92,539	86,111	91,731
		Percent Change		-53%	-7%	7%
Oregon	2018	Total	224,670	210,384	190,899	177,715
		Percent Change		-6%	-9%	-7%
		Subsidized	87,436	95,919	98,489	95,106
		Percent Change		+10%	+3%	-3%
		Unsubsidized	137,234	114,465	92,410	82,609
		Percent Change		-17%	-19%	-11%
Maine	2019	Total	82,158	77,897	72,801	67,260
		Percent Change		-5%	-7%	-8%
		Subsidized	63,402	57,984	57,883	52,589
		Percent Change		-9%	-0.2%	-9%
		Unsubsidized	18,756	19,913	14,918	14,671
		Percent Change		6%	-25%	-2%
Maryland	2019	Total	255,560	227,207	193,227	191,824
		Percent Change		-11%	-15%	-1%
		Subsidized	95,084	98,261	110,632	114,189
		Percent Change		3%	13%	3%
		Unsubsidized	160,476	128,946	82,595	77,635
		Percent Change		-20%	-36%	-6%

TABLE 8, cont.

Individual Health Insurance Market Subsidized^{xix} and Unsubsidized Average Monthly Enrollment for Select States with Section 1332 State-Based Reinsurance Waivers, Compared to Overall U.S.^{xx}

State	First Year of Operation Under a Waiver	Individual Market Enrollment	2016 Individual Market Average Monthly Enrollment	2017 Individual Market Average Monthly Enrollment	2018 Individual Market Average Monthly Enrollment	2019 Individual Market Average Monthly Enrollment
New Jersey	2019	Total	336,605	342,903	312,923	303,808
		Percent Change		2%	-9%	-3%
		Subsidized	186,444	185,258	178,312	162,892
		Percent Change		-1%	-4%	-9%
		Unsubsidized	150,161	157,645	134,611	140,916
		Percent Change		5%	-15%	5%
Wisconsin	2019	Total	246,712	299,302	206,934	197,421
		Percent Change		-7%	-10%	-5%
		Subsidized	174,641	166,310	164,999	157,413
		Percent Change		-5%	-1%	-5%
		Unsubsidized	72,071	62,992	41,935	40,008
		Percent Change		-13%	-33%	-5%
Total U.S. ^{xxiii}		Total	14,517,542	13,018,351	12,128,447	11,718,848
		Percent Change		-10%	-7%	-3%
		Subsidized	8,248,839	8,025,959	8,356,247	8,272,321
		Percent Change		-3%	+4%	-1%
		Unsubsidized	6,268,703	4,992,392	3,772,200	3,446,527
		Percent Change		-20%	-24%	-9%

^{xix}Subsidized and unsubsidized in terms of eligibility for Advance Payments of the Premium Tax Credit (APTC).

^{xx} Enrollment data for 2016, 2017, 2018, and 2019 sourced from: Trends in Subsidized and Unsubsidized Enrollment October 9, 2020. Data includes average monthly enrollment in the ACA individual market (on and off-Exchange), and does not include enrollment in grandfathered or transitional (“grandmothered”) plans. Available online at <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Trends-Subsidized-Unsubsidized-Enrollment-BY18-19.pdf>.

^{xxi} Alaska began operating its reinsurance program in 2017, prior to the first year of its approved section 1332 state-based reinsurance waiver.

^{xxii} Percent changes in enrollment are for 2016 to 2017, 2017 to 2018, and 2018 to 2019.

^{xxiii} Total U.S. enrollment excludes data on plans from Massachusetts and Vermont, because both states have merged their individual and small group markets.

TABLE 1 ENDNOTES:

**Legislation Authorizing State Funding Sources for States
with Section 1332 State-Based Reinsurance Waivers**

Alaska

¹ SB 165 was signed into law on June 29, 2018. (Chapter 46 SLA 18). Available online at <http://www.akleg.gov/basis/Bill/Detail/30?Root=SB%20165>

Colorado

² SB20-215 was signed into law on June 30, 2020. Available online at https://leg.colorado.gov/sites/default/files/2020a_215_signed.pdf

Delaware

³ HB 193 was signed into law on June 20, 2019. Available online at <http://legis.delaware.gov/BillDetail/47632>

Maine

⁴ SP 221 LD 659 was signed into law on June 2, 2017. Available online at <https://legislature.maine.gov/legis/bills/getPDF.asp?paper=SP0221&item=3&snum=128>

Maryland

⁵ SB 387 was signed into law on April 10, 2018. Available online at https://www.marylandhbe.com/wp-content/uploads/2018/04/Ch_38_sb0387E.pdf

⁶ HB 258 was signed into law on May 25, 2019. Available online at http://mgaleg.maryland.gov/2019RS/Chapters_noln/CH_597_hb0258t.pdf

Minnesota

⁷ HF No.5 was signed into law on April 3, 2017. Available online at https://www.revisor.mn.gov/bills/text.php?number=HF5&version=0&session=ls90&session_year=2017&session_number=0&type=ccr&format=pdf

Montana

⁸ SB 125 was signed into law on April 30, 2019. Available online at <https://leg.mt.gov/bills/2019/BillPdf/SB0125.pdf>

New Hampshire

⁹ HB 4 (Chaptered Law 346 of 2019) was signed into law on October 2, 2019. Available online at http://gencourt.state.nh.us/bill_status/billText.aspx?id=1336&txtFormat=html&sy=2019

¹⁰ RSA 404-G:3. Available online at <http://www.gencourt.state.nh.us/rsa/html/xxxvii/404-g/404-g-mrg.htm>

New Jersey

¹¹ A3380 was signed into law on May 30, 2018. Available online at https://www.njleg.state.nj.us/2018/Bills/A3500/3380_R1.PDF

North Dakota

¹² HB 1106 was signed into law on April 18, 2019. Available online at <https://www.legis.nd.gov/assembly/66-2019/documents/19-8068-05000.pdf>

Oregon

¹³ HB 2391 was signed into law on July 5, 2017. Available online at <https://olis.oregonlegislature.gov/liz/2017R1/Downloads/MeasureDocument/HB2391>

¹⁴ Oregon Revised Statutes, 743B.800 (2019). Available online at https://www.oregonlegislature.gov/bills_laws/ors/ors743b.html

¹⁵ HB 2010 was signed into law on March 13, 2019. Available online at <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/HB2010/Enrolled>

Pennsylvania

¹⁶ Act 42 was signed into law on July 2, 2019. Available online at <https://www.insurance.pa.gov/Documents/Act%2042%20Codified.pdf>

Rhode Island

¹⁷ S 2934 was signed into law on July 3, 2018. Available online at <http://webserver.rilin.state.ri.us/BillText/BillText18/SenateText18/S2934A.pdf>

¹⁸ H 8351 was signed into law on July 3, 2018. Available online at <http://webserver.rilin.state.ri.us/BillText/BillText18/HouseText18/H8351.pdf>

Wisconsin

¹⁹ 2017 Wisconsin Act 138 was signed into law on February 27, 2018. Available online at <https://docs.legis.wisconsin.gov/2017/related/acts/138>