



pennieTM



Broker Workgroup

March 11, 2022

Today's Agenda

1. Housekeeping & Reminders
2. Proposed Retroactive Termination Policy
3. 2023 Plan Certification Policy, Board-approved
4. Plan Certification Policy – Additional Topics
 - Identification of Plans with Limited Provider Networks
 - Standard Plans
 - NCQA Health Equity Accreditation
 - Effect on APTC
5. Questions & Feedback





Pennie Community Workgroup



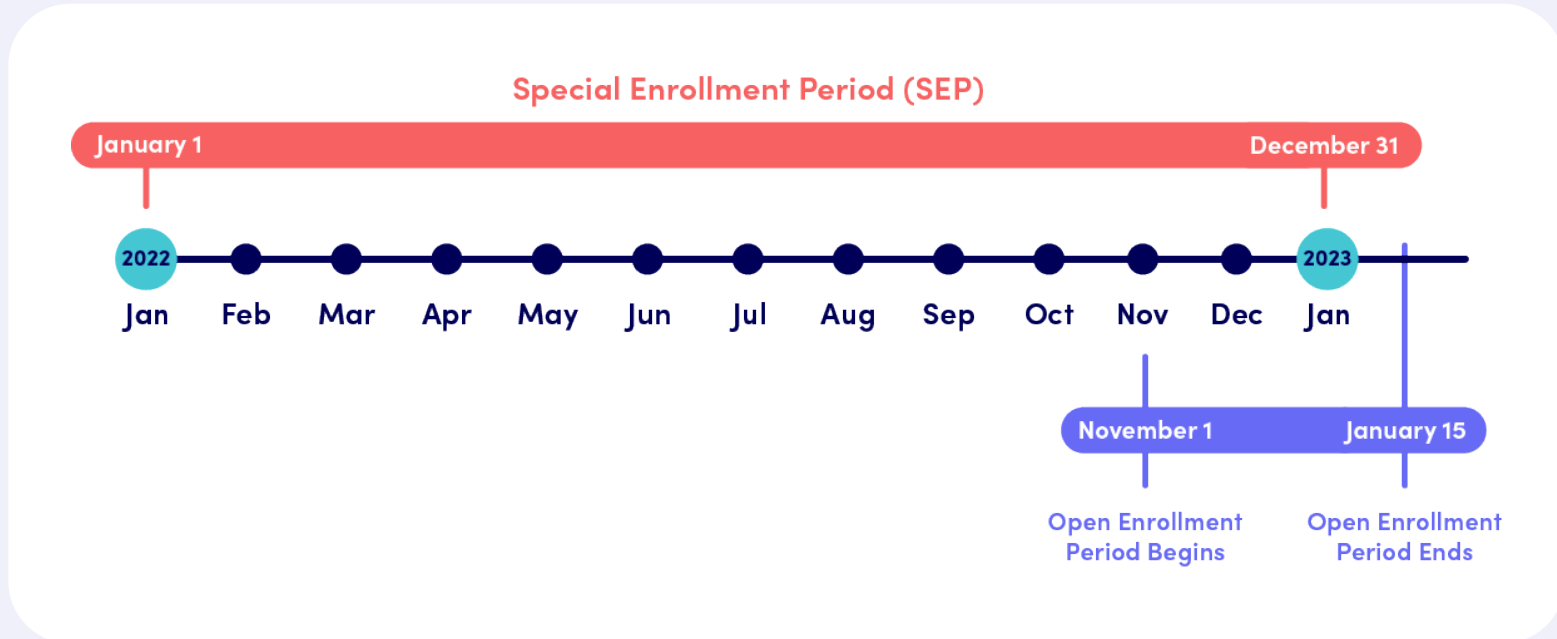
- Receive updates, learn about hot topics, and get technical tutorials related to Pennie's platform and resources
- Save the date – Friday, April 8th, 2022 (11:00 AM to 12:00 noon)
- For all Pennie Partners
- Second Friday of Every Month – beginning April 8th
- 11:00 AM to 12:00 Noon
- Look for MS Teams Live Meeting Link via email and on Pennie's Resource pages



Pennie Special Enrollment Period (SEP)

When Can I Get Covered?

Outside Open Enrollment, Pennsylvanians can enroll in or change a Pennie plan if they have a life event that qualifies you for a 60-Day **Special Enrollment Period**.



Special Enrollment Period

SEP Quick Reference Guide (Updated for 2022)

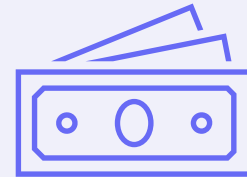
- Under Manuals & Job Aids
- <https://agency.pennie.com/brokers/>

QLE & SEP Lunch & Learn (February 2022)

- QLE Reporting with & without documentation
- New Low-Income SEP ($\leq 150\%$ FPL) – automatically granted if not currently enrolled
- <https://www.youtube.com/watch?v=-yJT5iku5tg>

pennie connecting Pennsylvanians to health coverage™ Special Enrollment Period Quick Reference Guide

	Availability		Coverage Effective Date Rule	Available up to 60 days...		Documentation Required?	Additional Information
	Not Enrolled on Pennie	Current Pennie Enrollee		BEFORE event	AFTER event		
Add a Dependent							
Birth	✓	✓	Event Date	✗	✓	Self-Attested	
Adoption	✓	✓	Event Date	✗	✓	Self-Attested	
Gain a court-appointed dependent	✓	✓	Event Date	✗	✓	Self-Attested	
Change in Marital Status							
Marriage	✓	✓	1st of month (after plan selection)	✗	✓	Approval of Documents Prior to Plan Shopping	At least 1 spouse must have had MEC for 1 of the 60 days prior to the event.
Divorce	✗	✓	1st of month (after plan selection)	✗	✓	Approval of Documents Prior to Plan Shopping	Event date is typically the date of divorce in court paperwork.
Move/Change in Residence							
New Pennsylvania Resident	✓	✓	1st of month (after event or after plan selection)	✓	✓	Approval of Documents Prior to Plan Shopping	
Moved, now eligible for different health plans	✓	✗	1st of month (after event or after plan selection)	✓	✓	Approval of Documents Prior to Plan Shopping	Moves within PA require documentation to verify eligibility for different CHIP(s)
Moved, now eligible for different health plans	✗	✓	1st of month (after event or after plan selection)	✓	✓	Self-Attested (system-automated)	
Income-Based SEPs							
Change in income, with change in eligibility for financial help	✗	✓	1st of month (after plan selection)	✗	✓	Self-Attested (system-automated)	Includes: ✓ newly eligible for APTC that is greater than 50 ✓ newly eligible for APTC Does NOT include: ✗ Income change resulting in increase/decrease of APTC Ⓞ Customers can adjust the selected amount of APTC at any time.
Income reduction, with gain in eligibility for financial help	✓	✗	1st of month (after plan selection)	✗	✓	Approval of Documents Prior to Plan Shopping	✓ newly eligible for APTC that is greater than 50
Change in income, with change in eligibility for health care savings	✗	✓	1st of month (after plan selection)	✗	✓	Self-Attested (system-automated)	✓ newly eligible (or newly ineligible) for cost-sharing reductions, ✓ eligible for a different cost-sharing variant
Income of 150% FPL or less	✓	✗	1st of month (after plan selection)	✗	✓	Self-Attested (system-automated)	Must be APTC-eligible
Income of 150% FPL or less	✗	✓	1st of month (after plan selection)	✗	✓	Self-Attested (system-automated)	Must be APTC-eligible Can only enroll in Silver plan





Proposed Retroactive Termination Policy

Feedback Requested

Retroactive Termination Policy

Proposal	Policy Goal(s)	Benefits	Challenges
<p>Approve retroactive termination for customers whose request is received up to 10 days after requested coverage end date.</p>	<ul style="list-style-type: none"> Clarify circumstances in which it is appropriate to approve retroactive termination requests. Minimize risk of over-payment of APTC Provide customers with a 10-day grace/processing period for retro-termination. 	<ul style="list-style-type: none"> Helps customers who recently gained other coverage and waited to terminate until they received new insurance cards. Aligns with Pennsylvania's 10-day Free Look Period as provided by the Insurance Code. 	<ul style="list-style-type: none"> May differ from current practice

Proposal

- Approve retroactive termination requests when submitted up to 10 days after requested coverage end date.
- Customers who submit a request on the 11th of the month, or later, would not be approved for retro-termination.
- Only impacts termination requests made after implementation of this policy.

Rationale:

- Many customers believe they must terminate coverage through their insurer or need their insurance cards in-hand to confirm other coverage, resulting in an avoidable situation where the customer is double-covered
- Minimizes the risk of Pennie providing an over-payment of APTC to customers, and helps customers avoid an unnecessary tax liability
- Some customer reporting methods are not able to be processed in real time and therefore require additional administrative processing time (e.g., mail processing time) that goes into the next month.

Retroactive Termination Policy

Proposal	Policy Goal(s)	Benefits	Challenges
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Proposed policy guidelines and requirements:

- Customer requests retroactive termination within the first 10 days of the month.
 - Example #1: A customer request is received on 4/10 to terminate coverage effective 3/31. This would be approved.
 - Example #2: A customer request is received on 4/11 to terminate coverage effective 3/31. This would not be approved. Earliest coverage end date would be 4/30.
- The Retroactive Termination would only take effect the last day of the previous month.
 - Example #1: A customer request received on 4/10 to terminate coverage effective 4/5 would not be approved, but a request to terminate coverage effective 3/31 would be approved.
 - As is current policy, coverage end dates would always be the last day of a calendar month.
 - Note: Mid-month coverage start and end dates are only permitted in instances of a birth, adoption, or gain of a court-ordered dependent, or in the event of a death*
- Holidays and weekends will not extend the 10-calendar day period as the administrative period already accounts sufficiently for them.



2023 Plan Certification Policy

Board Approved 2/17/2022

2023 Plan Certification Policy

What is Plan Certification Policy?

- Applies to qualified health plans (QHPs) and qualified dental plans (QDPs) offering coverage through Pennie for 2023 plan year
- Plan certification requirements are in addition to all federal and state regulations or other guidance related to offering QHPs and QDPs.

2023 Plan Certification Policy (Approved by Pennie Board)

- Coverage for COVID-19
- Commissions Disclosure for Producers
- Renewal Plan Mapping
- Meaningful Difference

See Appendix for details of proposed policy, stakeholder feedback, and staff recommendations.



Plan Certification Policy – Additional Topics

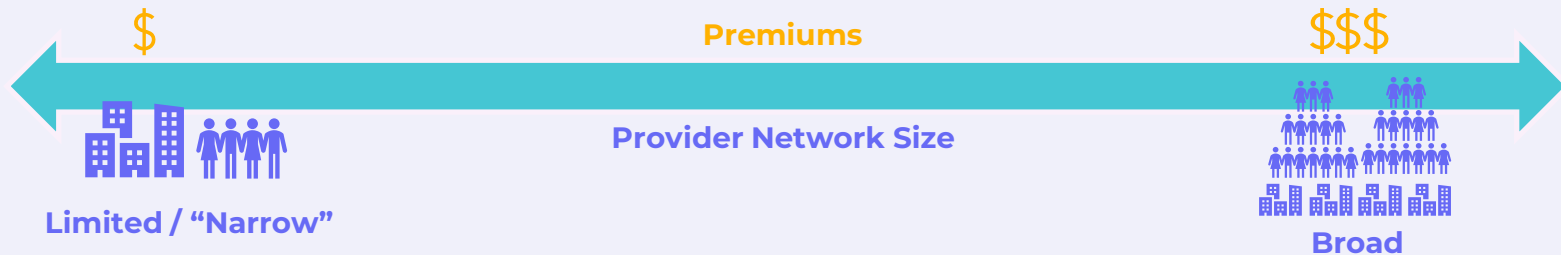
Feedback Requested

Identification of Plans with Limited Provider Networks

All health plans offered through Pennie must meet minimum network adequacy standards established by PID. Health plans offer a wide range of provider networks, from broad networks to more limited “narrow” networks. Customers can use provider search tool in Pennie plan shopping to identify which plans include their specific providers. However, there is no tool currently available that gives a general characterization of provider network size.

Generally speaking, plans with more limited “narrow” networks have lower premiums.

Concern is that customers may shop for plans based on premium and not understand the network size of the plan until too late to change..



Plan Certification Policy – Additional Topics

Identification of Plans with Limited Provider Networks

- Definition needs to be able to be applied equally to all insurers
- Needs to adjust to represent geographic differences (e.g. limited network plan in an urban environment may have more providers than broad network plan in rural environment)
 - Other states use a standard based on a threshold of available providers in the service area to account for geographic differences

Proposal	Policy Goal(s)	Benefits	Challenges
<ul style="list-style-type: none"> • Develop a standard to identify medical plans with more limited/narrow provider networks • Implement a corresponding indicator in Pennie plan shopping 	<ul style="list-style-type: none"> • Ensure customers understand the plans available to them and can make the right decision for their needs 	<ul style="list-style-type: none"> • Help customers broadly understand differences in plan networks to pick the right plan for their needs • De-code plan name labels that describe plan network breadth 	<ul style="list-style-type: none"> • Difficult standard to develop; needs to account for geographic differences • Potential for adverse selection • Feasibility for PY23 • Will require regulations

Feedback:

- Do you think customers need additional information to help distinguish between plans with different size provider networks?
- What criteria do you think we should use to define “limited” provider network?
- Do you think customers will use Pennie’s provider search more or less if limited network plans identified?

Standard Plans

Standard plans are a specific plan benefit design that insurers would be required to offer with no modifications, in addition to any other plans they may offer.

Customers can then compare the exact same plan design from different insurers to have an even further simplified shopping experience.

Recent proposed federal regs (NBPP for PY23) proposed implementation of standard plan design for all FFM and SBM-FP states for PY23.

- Federal rules do not require state-based exchanges offer standard plans; other legal authority may be required for Pennie to implement

Process to implement standard plans:



- Year 1: Development of standard plan benefit design with stakeholders
- Year 2: Insurers create standard plans and submit through normal plan filing, review, and approval process to be offered in the upcoming plan year (Year 3).

Example: 2022 plan design development would be for PY24

Standard Plans

Proposal	Policy Goal(s)	Benefits	Challenges
<ul style="list-style-type: none"> Assess interest in development of PA-specific standard plan designs 	<ul style="list-style-type: none"> Provide Pennie customers with the tools to easily compare plans and find the plan that best meets their needs and budget 	<ul style="list-style-type: none"> Standard plan designs can simplify choice for customers to compare exact same benefits by cost and provider network 	<ul style="list-style-type: none"> Two-year implementation timeframe As the NBPP is currently proposed, this will require regulations

Feedback:

- Do you think we should pursue implementation of standard benefit plans?
- What do you think the advantages are of offering standard benefit plans?
- What do you think are the disadvantages to offering standard benefit plans?
- Do you think standard benefit plan designs should be developed at all metal levels? Or just a specific metal level (e.g. silver)?

NCQA Health Equity Accreditation

<https://www.ncqa.org/programs/health-equity-accreditation/>

National Committee for Quality Assurance (NCQA) uses measurement, transparency and accountability to highlight top performers and drive improvement.

NCQA's Health Equity Accreditation is a program that gives health care organizations an actionable framework for creating the structures and processes to begin working toward addressing health equity.

- Collecting race/ethnicity and language data.
- Providing language assistance.
- Cultural responsiveness.
- Quality improvement of culturally and linguistically appropriate services (CLAS).
- Reduction of health care disparities.
- Organizational diversity, equity, inclusion and reducing bias;
- Collecting gender identity and sexual orientation data; and
- Reporting race/ethnicity stratified Healthcare Effectiveness Data and Information Set (HEDIS) measures.

The typical time frame is 12 months from application submission to decision, depending on an organization's readiness.

NCQA Health Equity Accreditation

Aligns with Pennie’s strategic goal of “...reducing inequities experienced by vulnerable populations.”

Proposal: Require insurers have NCQA Health Equity Accreditation for 2024 plan certification. Insurers who have not completed accreditation will be able to provide proof of progress towards accreditation for 2024.

Proposal	Policy Goal(s)	Benefits	Challenges
<ul style="list-style-type: none"> Require insurers have NCQA Health Equity Accreditation for PY24 Plan Certification 	<ul style="list-style-type: none"> Health equity - Reduce health disparities in underserved populations in PA 	<ul style="list-style-type: none"> Reducing health disparities reduces overall health care costs Leverage expertise of national organization defined standards 	<ul style="list-style-type: none"> Extensive process to achieve accreditation May require regulations

Feedback:

- Insurers: Are you currently certified? If not, are you working towards certification?
- Are there any additional challenges that would prevent completion of accreditation by 2024?
- Any additional challenges or concerns we haven’t considered yet?

Plan Certification Policy – Additional Topics

Effect on APTC

PY22 premiums = statewide average 0.2% increase

Majority of counties (70%) experienced a decrease to second lowest cost silver (SLCS) premiums

- Decreases due to increased competition from new lower cost plan offerings and sometimes new insurers offering plans in an area

The ACA designed APTC to fluctuate as needed to ensure that eligible individuals never pay more than a fixed portion of their income (i.e. net premium).

Since the customer's net premium doesn't change annually, APTC is designed to change (increase or decrease) as needed based on market circumstances.

Therefore, lower SLCS premiums = lower APTC.

SLCS Premium Change	Counties	% of All Counties	% Pennie 2022 Enrollees
-30% or more	1	1%	0.5%
-20% to -29%	3	4%	5%
-10% to -19%	18	27%	51%
-0.1% to -9%	26	39%	31%
+0% to +10%	20	30%	12.5%

As of January 2022

	High SLCS	Low SLCS	Notes
SLCS Premium	\$500	\$300	Varies based on plan offerings in county
APTC	- \$400	- \$200	Adjusts to ensure fixed customer cost
Customer Pays	= \$100	= \$100	Fixed based on income

Effect on APTC

Factors governed by rules outside of Pennie's jurisdiction:

- Premiums are reviewed and approved by Pennsylvania Insurance Department (PID) in accordance with appropriate policies, rules, and regulations.
- APTC is calculated based on federal policies, rules, and regulations.
- By design, APTC adjusts based on changes to SLCS premiums.

Feedback:

- What role do you think the exchange has in addressing annual changes in APTC (based on changes in SLCS premiums)?
- What, if any, specific policies do you think the exchange should consider adopting to help address customer impact due to annual changes in APTC?
- Do you think customers understand these annual fluctuations in APTC? If not, what aspects do you think would be beneficial in further educating customers?



Questions & Feedback

We Want to Hear From You

Plan Certification – Additional Feedback –

Feedback no later than 3/18/2022

<https://forms.office.com/g/WxEP9c9mnt>

Retroactive Termination Policy –

Feedback no later than 4/18/2022

<https://forms.office.com/g/gjirpVca4U>



Questions & Feedback – Always Welcome



**Call Customer
Service**

+1 (844) 844-4440

Mon – Friday
8:00 AM to 6:00 PM



**Send Us Your
Question**

brokers@pennie.com



Appendix:

**2023 Plan Certification Policy,
Approved by Pennie Board**

Coverage for COVID-19

Provide coverage for COVID-19 vaccination, testing, diagnosis, and treatment in a manner consistent with the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub. L. 116-136, §§ 3201-03.

Proposal	Policy Goal(s)	Benefits	Challenges
Coverage for COVID-19 vaccination, testing, diagnosis, and treatment	Ensure access to quality health care	Ensure Pennsylvanian’s have access to necessary health care in public health crisis	N/A

Feedback:

- No concerns
- One insurer noted that they expect this requirement will “align and conclude with end of Public Health emergency”

Staff Recommendation: Adopt as proposed

 **Board Approved 2/17/2022**

Commissions Disclosure to Producers

Producers serve a critical and unique role for customers

Important to have a robust diverse pool of producers to serve Pennie customers

Recommend continuing PY22 policy (see next slides) requiring advanced notice of commissions prior to OEP, consistency of commissions during OEP, and advanced notice of decreases after OEP.

Proposal	Policy Goal(s)	Benefits	Challenges
<ul style="list-style-type: none"> Advanced notice of commissions prior to OEP Consistent throughout OEP, Ability to change after OEP Advanced notice of decrease 	<p>Ensure Pennsylvanians have access to a robust pool of licensed producers to provide expert assistance</p>	<ul style="list-style-type: none"> Advanced notice for brokers to decide whether to participate Consistency of commissions allows producers to commit and invest in support Pennie customers Changes after OEP allow insurers to adjust commissions based on business needs (e.g. increase commissions if low enrollment) 	<ul style="list-style-type: none"> Too early to have analysis on areas for improvement (First year of implementation in process)

Commissions Disclosure to Producers

Applicability: insurers who pay commissions; 2023 plans sold through Pennie

- *“If an insurer pays producer commissions, then the commission payment schedules for 2023 Plan Year QHPs & QDPs sold through the Exchange Authority’s platform must satisfy the following conditions:”*

Advanced Notice of Commissions 30 days in advance of OEP

- *“1. The producer commission payment schedule for the Open Enrollment Period must be made available to the Exchange Authority and to producers at least 30 days in advance of the start of the Open Enrollment Period or within 72 hours of final rates being released if final rates are released less than 30 days before OEP.”*

No Changes prior to End of OEP unless extenuating circumstances

- *“2. Insurers will not be permitted to make changes to the commission payment schedule until after the end of the Open Enrollment Period. Exceptions may be granted on a case-by-case basis when a change is due to extenuating circumstances outside of an insurer’s control (e.g. late approval of rates by PID, statutory or regulatory changes).”*

(continued...)

Commissions Disclosure to Producers

(continued...)

Ability to Make Changes After OEP, if...

- *“3. After the end of the annual Open Enrollment Period, an insurer will be permitted to make changes to its commission payment schedule under the following conditions:”*

Never less than commissions at time of sale

- *“a. The commission payment schedule will have no reduction after sale for current plan year sales.”*

Increased at any time

- *“b. The commission payment schedule can be increased at any time after notice to the Exchange Authority and producers; and”*

Decreased with 30 days advanced notice

- *“c. The commission payment schedule can be decreased after providing thirty (30) days advanced notice to the Exchange Authority and producers, but no reduction after sale for current plan year sales.”*

Commissions Disclosure to Producers

Proposal	Policy Goal(s)	Benefits	Challenges
<ul style="list-style-type: none"> Advanced notice of commissions prior to OEP Consistent throughout OEP, Ability to change after OEP Advanced notice of decrease 	<p>Ensure Pennsylvanians have access to a robust pool of licensed producers to provide expert assistance</p>	<ul style="list-style-type: none"> Advanced notice for brokers to decide whether to participate Consistency of commissions allows producers to commit and invest in support Pennie customers Changes after OEP allow insurers to adjust commissions based on business needs (e.g. increase commissions if low enrollment) 	<ul style="list-style-type: none"> Too early to have analysis on areas for improvement (First year of implementation in process)

Feedback:

- Majority of insurers had no concerns continuing this policy; Two insurers requested changes to certain aspects:
 - One insurer stated that 30 days prior to OEP is too long. "any advance disclosure period longer than 2-3 weeks adds no additional benefit to the broker community."
 - Another insurer wants to be able to reduce commissions on in-force business after OEP.
- Producers generally supported the policy but request to prohibit insurers from reducing commissions after OEP
 - One producer concerned that allowing reduction of commissions after OEP would be discriminatory against SEP customers due to their likelihood for having higher claims
 - Another producer requested that Pennie exclude insurers that do not pay commissions "rather than put the Broker in the position of enrolling clients for no compensation"

 **Staff Recommendation: Adopt as proposed**
Board Approved 2/17/2022



Renewal Plan Mapping

No change proposed from PY21 & PY22 definition (adopted federal standard)

“Whether renewing customers would experience a significant disruption as a result of plan mapping, such as benefit changes; premium or cost-sharing changes; or provider network changes. For 2023, the federal standard for plan mapping will be used.”

Proposal	Policy Goal(s)	Benefits	Challenges
Avoid disruption due to renewal plan mapping	Seamless autorenewals for customers into appropriate comparable plans	Ensure customers are autorenewed into the most appropriate comparable plan without surprises of significant changes	Limited experience to know which improvements needed to develop new standard

Feedback:

- All insurers expressed support with continuing the current mapping rules
- Two insurers expressed some concern about potential changes proposed in NBPP:
 - "We appreciate the desire of federal regulators to enroll consumers in a “more generous” plan where one is clearly available, but we have significant concerns about passively moving consumers to potentially less similar plans based on these types of value judgments."
 - If NBPP proposed standards around more generous plans are adopted, several insurers requested Pennie to provide examples including modeling of prior year renewal transactions to help insurers and consumer advocates better understand impact.

Staff Recommendation: Adopt as proposed
 **Board Approved 2/17/2022**

Meaningful Difference

- Choice is important for customers to find the right plan for their needs and their budget.
- Too much choice can be overwhelming to customers.
- Meaningful difference standard is intended to prevent a customer from having to choose between seemingly identical plans from the same insurer.
 - Not intended to exclude plans from one insurer because of plans offered by another insurer

Meaningful Difference Standard from PY21 & PY22 definition (adopted federal standard)

“a. Whether a specific plan is meaningfully different from other plans offered by the same insurer within the service area and level of coverage. The goal of the meaningful difference standard is to ensure plans provide added value to the customers of differentiated features, and sufficient but not overwhelming choice.

i. In general, a plan is considered meaningfully different from another plan in the same service area and metal level if a reasonable consumer would be able to identify one or more material differences among the following characteristics between the plan and other plan offerings:

(1) Cost sharing; (2) Provider networks; (3) Covered benefits; (4) Plan type; or (5) child-only versus non-child-only plan offerings.

For example, plans are not meaningfully different if the only difference between the two plans is a de minimis difference in the deductible amount.

ii. Additional consideration may be made for plans offered in service areas with limited plan availability.”

Meaningful Difference

Pennie staff did an internal analysis of PY22 plan offerings across all service areas. While some service areas did have a lot of choices, in general, we were able to distinguish differences between plans of the same insurer, same metal level, and same plan type (e.g. HMO, EPO, PPO).

- The only exception was when two identical medical plans were offered with the only difference being that one plan included embedded adult dental/vision and the other did not. (We'll address this in separate discussions on plan display in Pennie shopping portal.)

Proposal	Policy Goal(s)	Benefits	Challenges
Meaningful Difference	Provide high quality, affordable, comprehensive health coverage to Pennsylvanians	Ensure plans provide added value to customers with differentiated features and sufficient, but not overwhelming, choice	Can be a difficult standard to quantify

Feedback:

- All insurers supported the current policy. One noted that the "proposed standards strike a reasonable balance in ensuring consumer choice while limiting market "flooding" by a given carrier".
- One insurer noted the need to monitor impact of two otherwise identical plans with one offering embedded dental/vision. "This may be a watch item in the future as such pairs of plans present at the lower end of a metal level could significantly reduce the subsidy market in cases."

Staff Recommendation: Adopt as proposed

 **Board Approved 2/17/2022**



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