

TO: Health Insurance Companies Offering Exchange Products

FROM: Hannah Turner, Director of Operations, Pennsylvania Health Insurance Exchange Authority

SUBJECT: Proposed Plan Certification Policy for Insurers Offering QHPs & QDPs through Pennsylvania's Health Insurance Exchange for Plan Year 2022

DATE: [insert date]

I. PURPOSE

In accordance with Section 5.3.2(c) of the Pennsylvania Health Insurance Exchange Authority ("Exchange Authority")'s Issuer Agreement, the Exchange Authority is releasing this proposed plan certification policy to insurers to provide guidance for *successful* participation in Pennsylvania's exchange for 2022. This policy, if adopted, would be incorporated into the Exchange Authority's Issuer Agreement pursuant to the terms of that agreement.

In accordance with its statutory authority, the Exchange Authority acts as an active purchaser and will qualify plans as in the best interest of qualified individuals. See 45 CFR §155.1000(c)(2). In making this determination, the Exchange Authority will assess the following requirements and considerations as to (a) the plan design elements that the Exchange Authority considers to be in line with meeting its goal of offering innovative plans through the exchange, and (b) the criteria by which the Exchange Authority will evaluate plans for certification as "Qualified Health Plans" ("QHP") and "Qualified Dental Plans" ("QDP").

II. REQUIREMENTS FOR PLAN CERTIFICATION

In addition to compliance with all federal and state regulations or other guidance relating to offering QHPs and QDPs, an insurer seeking to offer plans through the Exchange Authority's platform shall satisfy the following requirements:

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

- b. If an insurer pays producer commissions, then the commission payment schedules for 2022 Plan Year QHPs & QDP sold through the Exchange Authority's platform must satisfy the following conditions:
 - i. The producer commission payment schedule for the Open Enrollment Period must be made available to the Exchange Authority and to producers at least 45 days in advance of the start of the Open Enrollment Period.
 - ii. 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).
 - iii. 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:
 - 1. The commission payment schedule will never be lower than the Open Enrollment Period commission payment schedule;
 - 2. The commission payment schedule can be increased at any time after notice to the Exchange Authority and producers; and
 - 3. The commission payment schedule can be decreased after providing thirty (30) days advanced notice to the Exchange Authority and producers, but not to a rate lower than the Open Enrollment Period commission payment schedule.

III. ADDITIONAL CONSIDERATIONS FOR PLAN CERTIFICATION

In addition to the requirements outlined in Section II above, the Exchange Authority will assess the following criteria in the aggregate, at the plan, insurer, service area, rating area, and market levels:

- 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.
- b. 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 2022, the federal standard for plan mapping will be used.

IV. SUPPLEMENTAL MATERIALS/MEETINGS

Each insurer seeking certification of plans on the exchange shall provide the Exchange Authority with a supplemental memorandum detailing how it has attempted to satisfy the requirements and considerations for plan certification discussed in Sections II and III. See Exchange Authority Issuer Agreement Section 5.3. The Exchange Authority will issue guidance on the format for this memorandum and the process to submit the required materials no later than May 1, 2021. The Exchange Authority will review all materials, including the supplemental memorandum, and engage directly with insurers to seek clarification as needed.

The Exchange Authority expects to consider for certification proposals that meet the defined criteria specified in Sections II and III and demonstrate positive value to exchange customers.

V. Policy Adoption Notice

Pursuant to Section 5.3.2(c) of the Exchange Authority's Issuer Agreement, the Exchange Authority is providing this notice to the insurers for public comment. Insurers, as well as interested stakeholders, have thirty (30) days from the date of this memorandum to submit comments. Insurers should submit comments to the Exchange Authority through standard commenting procedures. Interested stakeholders may submit comments to RA-IN-SBELegal@pa.gov.

VI. RESOURCES

Pennsylvania Insurance Department – 2022 Plan Year Filing Guidance ([link](#))