

MILLIMAN REPORT

Section 1332 Waiver Actuarial Analyses and Certification and Economic Analyses: Idaho Individual High Risk Reinsurance Pool

Prepared for:
Idaho Individual High Risk Pool Board of Directors

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[Paul Houchens](#), FSA, MAAA
[Zachary Hunt](#), ASA, MAAA
[Robert Schmidt](#), FSA, MAAA



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EXECUTIVE SUMMARY

Milliman, Inc. (Milliman) has been retained by the State of Idaho to provide actuarial and consulting services related to its operation of the Idaho Individual High Risk Reinsurance Pool (the Pool) under a Section 1332 waiver. The State is seeking a Section 1332 waiver to increase affordability of individual market coverage through a combination of state-based funding and federal pass-through amounts received under the waiver.

This report provides the required actuarial analysis, certification, and economic analyses supporting the State's determination that the Pool meets the requirements for a Section 1332 waiver. At the request of the Department of Insurance, we have illustrated the required projections for the actuarial certification and economic analyses under two scenarios:

- **Baseline Subsidies:** Beginning in calendar year (CY) 2023, premium subsidy amounts for marketplace coverage under the Affordable Care Act (ACA) revert to levels in place prior to the temporary increase in premium subsidy amounts authorized by the American Rescue Plan Act of 2021 (ARP).
- **ARP Subsidies¹:** Premium subsidy amounts implemented by the ARP for CY 2021 and CY 2022 are made permanent or are extended through the duration of the 2023 through 2032 time period.

Based on guidance from the Department of Insurance, total funding for the Pool has been set at levels that achieve approximately a 10% premium rate reduction for the second-lowest cost silver plan for both scenarios. Pool funding under the ARP Subsidies scenario has been set \$5 million higher than under the Baseline Subsidies scenario to achieve this premium rate reduction goal. Final funding for the Pool will be determined by the Pool's Board of Directors (Board).

Note, because of the ongoing COVID-19 public health emergency (PHE) and its impacts to health insurance coverage and economic activity, as well as the ARP premium subsidy enhancements, there is increased uncertainty regarding future individual health insurance market enrollment, premium rates, and premium subsidies. The values presented in this report are estimates and actual values are certain to vary by an unknown degree.

SECTION 1332 WAIVER

House Bill 611, authorizing the resumption of the Pool under a 1332 waiver was signed into law on March 23, 2022 by Governor Brad Little. This waiver application seeks to waive Section 1312(c)(1) under Section 1332 of the ACA. This provision of the ACA states that health insurance issuers "shall consider all enrollees in all health plans (other than grandfathered health plans) offered by such issuer in the individual market, including those enrollees who do not enroll in such health plans through the Exchange, to be members of a single risk pool."

1332 WAIVER GUARDRAILS

For the Pool to meet the federal requirements for a 1332 waiver, it must meet the following standards:

- **Scope of Coverage:** The 1332 waiver must provide health insurance to at least as many people as would be projected under the status-quo ACA (without waiver).
- **Affordability:** The 1332 waiver must provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as would be projected without the waiver.
- **Comprehensiveness:** The 1332 waiver must provide coverage at least as comprehensive (as defined by the ACA's essential health benefits) as would be projected without the waiver.
- **Deficit Neutrality:** The 1332 waiver must be deficit neutral to the federal government as compared to projections without the waiver

It should be stressed that these requirements are in relation to scope of coverage, affordability, comprehensiveness, and deficit neutrality without the waiver. For example, a 1332 waiver is not required to result in more insured

¹ Please see <https://us.milliman.com/-/media/milliman/pdfs/2021-articles/3-17-21-a-is-for-affordable.ashx> for further details on how premium subsidy amounts changed under the ARP.

individuals relative to a period before its implementation. Rather, it must be estimated to ensure at least as many insured individuals are covered during the projection period relative to if the 1332 waiver was not implemented.

Our analysis indicates that Idaho's 1332 waiver meets the federal requirements cited above. The remainder of the report provides the requested information in the CMS 1332 Waiver Checklist for the 1332 waiver's actuarial certification and economic analyses that documents how the Pool meets the four guardrails of Section 1332.

Scope of Coverage

During the five-year initial waiver period and the ten-year projection period, we estimate the Pool will result in an increase to the number of insured Idahoans relative to without the waiver by approximately 1,000 persons per year. We do not estimate the Pool having any material impacts to the number of Idahoans covered under employer-sponsored plans, Medicaid, Medicare, or other public programs. Figure 1 illustrates estimated non-group market enrollment under the Pool relative to if the program was not in place for the Baseline Subsidies and ARP Subsidies scenarios. Our assumptions for the number of Idahoans incrementally enrolling in individual market coverage because of the Pool are based on experience from other states with similar reinsurance programs.² The enrollment decreases illustrated from 2022 to 2023 reflect the impact of transitional coverage modeled to end on December 31, 2022. Actual transitional enrollment will vary from this assumption but is not estimated to materially impact the waiver's impact on ACA-compliant coverage. Changes to the State's transitional coverage policy may impact individual market enrollment during the projection period.

FIGURE 1

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

ESTIMATED IMPACTS TO INDIVIDUAL MARKET HEALTH INSURANCE COVERAGE FROM REINSURANCE PROGRAM

CALENDAR YEAR	INDIVIDUALS INSURED IN NON-GROUP MARKET – BASELINE SUBSIDIES (THOUSANDS)			INDIVIDUALS INSURED IN NON-GROUP MARKET – ARP SUBSIDIES (THOUSANDS)		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER CHANGE
2022	94.4	94.4	0.0	94.4	94.4	0.0
2023	81.2	82.7	1.5	84.6	85.6	1.0
2024	81.5	83.0	1.5	85.2	86.2	1.0
2025	81.8	83.3	1.5	85.8	86.9	1.0
2026	82.1	83.6	1.5	86.5	87.6	1.1
2027	82.6	84.2	1.5	87.2	88.3	1.1
2028	83.1	84.7	1.6	87.9	89.0	1.1
2029	83.6	85.2	1.6	88.6	89.7	1.1
2030	84.2	85.7	1.6	89.3	90.4	1.1
2031	84.7	86.3	1.6	90.0	91.1	1.1
2032	85.2	86.8	1.6	90.8	91.9	1.1

Note: Values are rounded.

Affordability

The Pool is not estimated to impact premium rates for employer-sponsored insurance, nor change affordability for public programs such as Medicaid and Medicare.

For the non-group market, the Pool is estimated to reduce Silver benchmark premium rates by approximately 10% to 12% (relative to without the waiver) over the ten-year projection period. Under the ACA's premium assistance program prior to the implementation of ARP subsidies, qualifying households with income between 100% and 400%

² <https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/1332-Data-Brief-Aug2021.pdf>

FPL (who do not qualify for Medicaid) have out-of-pocket premium expenses capped to a specified percent of income. We estimate the vast majority of individuals receiving premium assistance without the waiver will also receive premium assistance under the Pool. For these individuals, the premium savings will accrue to the federal government, as it reduces the amount of premium assistance necessary to ensure the out-of-pocket cost of coverage does not exceed the maximum specified by the ACA. It is possible that some young adults and other persons with income approaching 400% FPL receiving premium assistance without the waiver will see out-of-pocket premiums fall below the maximum specified by the ACA under the Pool. In these cases, only partial premium savings accrue to the federal government, while the consumer also directly benefits from the premium reduction.

As a result of the enhanced ARP subsidies, there is no income limit on premium subsidy assistance. For any household with a silver benchmark plan exceeding 8.5% of household income, federal premium subsidies will limit out-of-pocket premium expenses to 8.5% (or a smaller percentage as dictated by the ARP subsidy formula). In 2022, we estimate approximately 67% of Idahoans purchasing coverage in the ACA-compliant individual market will receive federal premium assistance. Because the ARP results in a larger percentage of Idaho's individual market receiving federal premium assistance, it reduces the number of Idahoans impacted by the Pool relative to the Baseline Subsidies scenario. For example, older adults with income above 400% who would not qualify for premium assistance under the Baseline Subsidies scenario and would realize out-of-pocket premium savings from the Pool, do not experience an out-of-pocket premium change for the Silver benchmark plan after becoming eligible for premium assistance under the ARP Subsidies scenario.

For households not eligible for premium assistance, the full amount of premium rate reduction will be realized under the Pool, with the federal government not accruing any savings. Figure 2a (Baseline Subsidies) and Figure 2b (ARP Subsidies) illustrate premium rate reductions for a 21-year old and a 64-year old for the second lowest cost Silver plan (the benchmark plan that is used to determine available premium assistance). Because of age rating allowed in the individual market, older Idahoans not qualifying for premium assistance will experience greater dollar reductions in monthly out-of-pocket premium expenses (while the percentage reduction in premium rates will not vary by age).

FIGURE 2A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM – BASELINE SUBSIDIES

CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM 1332 WAIVER IMPLEMENTATION

CALENDAR YEAR	21-YEAR OLD MONTHLY PREMIUM				64-YEAR OLD MONTHLY PREMIUM			
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE
2022	\$361	\$361	\$0	0%	\$1,082	\$1,082	\$0	0%
2023	\$397	\$353	(44)	(11%)	\$1,192	\$1,059	(133)	(11%)
2024	\$417	\$375	(41)	(10%)	\$1,250	\$1,126	(124)	(10%)
2025	\$436	\$394	(42)	(10%)	\$1,308	\$1,182	(126)	(10%)
2026	\$456	\$411	(44)	(10%)	\$1,367	\$1,234	(133)	(10%)
2027	\$475	\$428	(47)	(10%)	\$1,425	\$1,285	(140)	(10%)
2028	\$495	\$448	(48)	(10%)	\$1,486	\$1,343	(143)	(10%)
2029	\$517	\$466	(50)	(10%)	\$1,550	\$1,399	(151)	(10%)
2030	\$539	\$486	(53)	(10%)	\$1,616	\$1,457	(159)	(10%)
2031	\$562	\$506	(56)	(10%)	\$1,685	\$1,518	(167)	(10%)
2032	\$586	\$527	(59)	(10%)	\$1,757	\$1,582	(176)	(10%)

Notes:

1. Values are rounded.
2. Values do not reflect available premium assistance for qualifying individuals.
3. Premiums are for non-tobacco user and assume federal default 3:1 age rating.
4. Premium savings would be realized by consumers not qualifying for federal premium assistance. For individuals qualifying for federal premium assistance, the federal government will have lower premium assistance expenditures.

FIGURE 2B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM – ARP SUBSIDIES

CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM 1332 WAIVER IMPLEMENTATION

CALENDAR YEAR	21-YEAR OLD MONTHLY PREMIUM				64-YEAR OLD MONTHLY PREMIUM			
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	PERCENT CHANGE
2022	\$361	\$361	\$0	0%	\$1,082	\$1,082	\$0	0%
2023	397	350	(46)	(12%)	1,190	1,051	(139)	(12%)
2024	416	373	(44)	(10%)	1,248	1,118	(131)	(10%)
2025	435	391	(44)	(10%)	1,306	1,174	(132)	(10%)
2026	455	409	(46)	(10%)	1,365	1,226	(138)	(10%)
2027	474	426	(48)	(10%)	1,423	1,278	(145)	(10%)
2028	495	446	(49)	(10%)	1,484	1,337	(147)	(10%)
2029	516	464	(51)	(10%)	1,547	1,393	(154)	(10%)
2030	538	484	(54)	(10%)	1,613	1,452	(161)	(10%)
2031	561	504	(56)	(10%)	1,682	1,513	(169)	(10%)
2032	585	526	(59)	(10%)	1,754	1,577	(177)	(10%)

Notes:

1. Values are rounded.
2. Values do not reflect available premium assistance for qualifying individuals.
3. Premiums are for non-tobacco user and assume federal default 3:1 age rating.
4. Premium savings would be realized by consumers not qualifying for federal premium assistance. For individuals qualifying for federal premium assistance, the federal government will have lower premium assistance expenditures.
- 5.

Based on the above summary of our analysis, we believe the Pool meets the affordability requirement for federal approval of a 1332 waiver.

Comprehensiveness

The Pool meets the comprehensiveness requirement for a 1332 waiver. This waiver makes no change to insurer benefit requirements for plans offered in Idaho's health insurance markets as Idaho does not propose to waive any of the requirements concerning the Essential Health Benefits, and the waiver will not result in individuals losing coverage or moving to less comprehensive coverage. Therefore, the focus of the actuarial analysis was related to coverage and affordability requirements under the Pool, as presented above and discussed in greater detail later in this report.

Deficit Neutrality

A 1332 waiver application must demonstrate it will not increase the federal deficit. The Pool will be funded through a combination of state-based funding (a combination of premium tax revenue, financial assets of the Pool, and ad-hoc state funding) and federal pass-through amounts. The Pool will operate as a condition-based Pool, with insurers receiving payment for enrollees meeting specific clinical criteria. The clinical criteria will be established prior to the beginning of each coverage year by the Board to target the projected total Pool funding available for the upcoming year. Total assumed Pool funding in each projection year is illustrated in Figure 3a (Baseline Subsidies) and Figure 3b (ARP Subsidies). These assumptions are based on discussion with the Department of Insurance.

By reducing non-group premiums, the Pool is estimated to result in federal savings on premium assistance provided through Your Health Idaho (YHI), the State's insurance marketplace, for the population qualifying for federal APTCs. Figure 3a (Baseline Subsidies) and Figure 3b (ARP Subsidies) illustrate estimated changes in federal APTC expenditures for QHP enrollees during the ten-year projection period. APTC savings are greater under the ARP

Subsidies scenario and more individuals qualify for premium subsidies relative to the Baseline Subsidies scenario. We do not estimate any material changes in other federal expenditures as a result of the Pool. It is assumed that Idaho continues to operate its state-based marketplace, YHI, during the projection period, resulting in no impact to federal marketplace user fee revenue.

FIGURE 3A
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
ESTIMATED CHANGES IN FEDERAL APTC EXPENDITURES (\$ MILLIONS)
REINSURANCE PROGRAM – BASELINE SUBSIDIES

CALENDAR YEAR	APTC EXPENDITURES WITHOUT WAIVER	APTC EXPENDITURES WITH WAIVER	NET CHANGE IN FEDERAL EXPENDITURES	TOTAL POOL FUNDING UNDER WAIVER
2022	\$ 292.4	\$ 292.4	\$ 0.0	\$ 0.0
2023	274.4	234.3	(40.1)	58.5
2024	291.2	253.3	(37.9)	54.9
2025	308.4	269.7	(38.8)	55.9
2026	325.8	284.6	(41.3)	59.2
2027	343.5	299.7	(43.8)	62.8
2028	362.1	317.2	(44.9)	64.3
2029	381.9	334.1	(47.7)	68.2
2030	402.6	352.0	(50.7)	72.3
2031	424.6	370.8	(53.8)	76.6
2032	447.7	390.7	(57.0)	81.2

Note: Values are rounded.

FIGURE 3B
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
ESTIMATED CHANGES IN FEDERAL APTC EXPENDITURES (\$ MILLIONS)
REINSURANCE PROGRAM – ARP SUBSIDIES

CALENDAR YEAR	APTC EXPENDITURES WITHOUT WAIVER	APTC EXPENDITURES WITH WAIVER	NET CHANGE IN FEDERAL EXPENDITURES	TOTAL POOL FUNDING UNDER WAIVER
2022	\$ 292.4	\$ 292.4	\$ 0.0	\$ 0.0
2023	332.4	287.2	(45.3)	63.5
2024	352.4	309.5	(42.9)	59.9
2025	372.6	328.9	(43.8)	60.9
2026	393.3	347.2	(46.2)	64.2
2027	414.4	365.8	(48.7)	67.8
2028	436.7	387.0	(49.7)	69.3
2029	460.2	407.8	(52.5)	73.2
2030	485.0	429.6	(55.4)	77.3
2031	511.1	452.7	(58.5)	81.6
2032	538.7	477.0	(61.7)	86.2

Note: Values are rounded.

Final pass-through funding available to the Pool is estimated to be reduced by an additional 7.2%, reflecting the difference between APTC and final reconciled PTC amounts. This percentage is based on calendar year 2019 federal tax return tax for Idahoans and calendar year 2019 effectuated APTC enrollment. The final percentage applied by CMS in the pass-through calculation may vary from this estimate based on updated data or funding methodologies.

Sensitivity of Results

It should be noted that there is significant uncertainty surrounding future enrollment and premiums in health insurance programs, particularly the individual market. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual

experience will not conform exactly to the assumptions used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

Actual enrollment and premium changes may vary for several reasons, including but not limited to:

- Health insurance market enrollment changes caused by economic or pandemic-related policy changes, including the end of the COVID-19 public health emergency which increases uncertainty about future individual market enrollment levels (discussed in more detail in Section 7 of the actuarial certification)
- Health care inflation
- Labor market fluctuations
- General inflation

The actuarial and economic analyses presented in this report solely reflect the estimated incremental impact of the Pool. Other current or pending state or federal policy changes may impact actual amounts presented in this report.

We note that our projections of enrollment and premium rates in the individual market assume CSR variants continue and insurer pricing assumptions do not materially deviate from 2022 assumptions. In Idaho, insurance carriers were allowed to increase Silver premiums in 2018 in response to the federal government eliminating the CSR payments as of October 2017.³ To the extent that direct CSR payments are reinstated, our analysis will need to be updated. To the extent judicial, legislative, or regulatory changes are made to the ACA or state-based insurance regulations, the values presented in this report may be impacted to a significant degree. While we have presented insurance market projections under the Baseline Subsidy and ARP Subsidy scenarios, it is possible that the premium subsidy structure will differ from these two scenarios in the future. Our analysis does not reflect any impacts from the Biden-Harris Administration's proposed rule to address the "family glitch" that may result in additional Idahoans qualifying for federal premium assistance.⁴ Results will also be influenced by the ultimate program funding strategy employed by the Pool's Board.

³ <https://www.hhs.gov/sites/default/files/csr-payment-memo.pdf>

⁴ <https://www.federalregister.gov/documents/2022/04/07/2022-07158/affordability-of-employer-coverage-for-family-members-of-employees>

SECTION I. ACTUARIAL ANALYSIS

This section provides the required actuarial analysis for Idaho's Section 1332 Waiver application. The appendix of this report contains the actuarial certification for the 1332 waiver.

A description of the actuarial analysis meeting the requirements under 45 CFR 155.1308(f)(4)(i) and other applicable information as requested in the Checklist for Section 1332 Waiver Applications has been provided in this section. For purposes of this analysis, calendar year 2022 serves as the baseline year for the ten-year required projections. Note, the baseline year reflects the enhanced ARP subsidies and the existing high-risk condition reinsurance program that will be terminated in the event Idaho's Section 1332 waiver application is not approved.

As discussed in the Assumptions and Methodology section of this report, we utilized a combination of census bureau survey and projection data, YHI enrollment and APTC data, publicly available health insurance enrollment and premium data, modeling of the ACA's premium assistance structure, and proprietary data to model the estimated impact of the Pool during the ten-year projection period. Our analysis reflects the estimated demographics of Idahoans during the projection period and models insurance purchasing behavior based on changes in premium rates and federal premium subsidies. Our modeling allows for the summarization of projected enrollment and premium information by age, gender, health status, household income, and insurance market. Prior to performing any projections, we calibrated our projection model's census, premium, claims expense, and other assumptions to reflect Idaho's insurance markets.

1. Projected Individual Market Population

Figure 4 illustrates the estimated number of Idahoans enrolled in ACA compliant coverage during the 2022 baseline year and ten-year projection period under the following scenarios:

- Baseline Subsidies, without waiver: Marketplace premium assistance available in YHI reverts to pre-ARP levels effective January 1, 2023, existing reinsurance program is terminated on December 31, 2022.
- Baseline Subsidies, with waiver: Marketplace premium assistance available in YHI reverts to pre-ARP levels effective January 1, 2023, the Pool is implemented under a 1332 waiver.
- ARP Subsidies, without waiver: Enhanced marketplace premium assistance under the ARP is made permanent, existing reinsurance program is terminated on December 31, 2022.
- ARP Subsidies, with waiver: Enhanced marketplace premium assistance under the ARP is made permanent, the Pool is implemented under a 1332 waiver.

In addition to these 4 scenarios, the incremental enrollment change between the with and without waiver scenarios is illustrated under the Baseline and ARP subsidy assumptions. Note, Figure 4 excludes enrollment for persons with non-ACA compliant coverage in the individual market. Because the ARP Subsidies results in lower out-of-pocket premium requirements for Idahoans purchasing coverage in YHI with federal premium assistance, we estimate individual market enrollment will be higher under the ARP Subsidies scenario relative to the Base Subsidies scenario.

The incremental enrollment change is estimated to be slightly higher under the Base Subsidies scenario, as Idahoans with income above 400% FPL are assumed to not qualify for federal premium assistance and thus directly benefit from the Pool.

FIGURE 4
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
ESTIMATED ACA COMPLIANT INDIVIDUAL MARKET ENROLLMENT (THOUSANDS)

CALENDAR YEAR	BASELINE SUBSIDIES, WITHOUT WAIVER	BASELINE SUBSIDIES, WITH WAIVER	BASELINE SUBSIDIES, INCREMENTAL ENROLLMENT CHANGE	ARP SUBSIDIES, WITHOUT WAIVER	ARP SUBSIDIES, WITH WAIVER	ARP SUBSIDIES, INCREMENTAL ENROLLMENT CHANGE
2022	79.3	79.3	0.0	79.3	79.3	0.0
2023	81.2	82.7	1.5	84.6	85.6	1.0
2024	81.5	83.0	1.5	85.2	86.2	1.0
2025	81.8	83.3	1.5	85.8	86.9	1.0
2026	82.1	83.6	1.5	86.5	87.6	1.1
2027	82.6	84.2	1.5	87.2	88.3	1.1
2028	83.1	84.7	1.6	87.9	89.0	1.1
2029	83.6	85.2	1.6	88.6	89.7	1.1
2030	84.2	85.7	1.6	89.3	90.4	1.1
2031	84.7	86.3	1.6	90.0	91.1	1.1
2032	85.2	86.8	1.6	90.8	91.9	1.1

Note: Values are rounded.

2. Estimated Premium Impact from 1332 Waiver

Figure 5a (Baseline Subsidies) and Figure 5b (ARP Subsidies) illustrate the estimated claims expense per member per month (PMPM), non-claims expense PMPM, composite premium PMPM and corresponding medical loss ratio (MLR), without adjustment for taxes and assessments or quality improvement expenses, with and without the waiver for the ACA-compliant risk pool. Without the implementation of the Pool, the composite market premium rate is estimated to increase by approximately 8.5% (Baseline Subsidies) to 7.9% (ARP Subsidies) as a result of healthcare inflation and the termination of the existing reinsurance program (which is estimated to reduce premium rates by approximately 3% in calendar year 2022).

FIGURE 5A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM – BASELINE SUBSIDIES

ESTIMATED NON-CLAIMS EXPENSES AND INDIVIDUAL MARKET MEDICAL LOSS RATIO

YEAR	WITHOUT WAIVER				WITH WAIVER			
	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR
2022	\$507	\$435	\$72	86%	\$507	\$435	\$72	86%
2023	550	475	75	86%	488	414	73	85%
2024	576	499	78	87%	518	442	76	85%
2025	603	524	80	87%	545	467	78	86%
2026	631	549	82	87%	568	489	80	86%
2027	658	574	84	87%	592	510	82	86%
2028	686	600	86	87%	619	535	84	86%
2029	716	628	88	88%	645	559	86	87%
2030	747	656	90	88%	672	584	88	87%
2031	779	686	93	88%	701	610	90	87%
2032	812	717	95	88%	730	638	93	87%

Notes:

1. Values have been rounded.
2. MLR estimates have not been adjusted for fees and taxes or quality improvement expenses.
3. Values exclude non-ACA compliant coverage.

FIGURE 5B
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM – ARP SUBSIDIES
ESTIMATED NON-CLAIMS EXPENSES AND INDIVIDUAL MARKET MEDICAL LOSS RATIO

YEAR	WITHOUT WAIVER				WITH WAIVER			
	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR	PREMIUM PMPM	CLAIMS EXPENSE PMPM	NON-CLAIMS EXPENSE PMPM	MLR
2022	\$ 507	\$ 435	\$ 72	86%	\$ 507	\$ 435	\$ 72	86%
2023	547	472	75	86%	482	409	73	85%
2024	573	495	78	86%	513	437	76	85%
2025	599	520	80	87%	538	461	78	86%
2026	626	544	82	87%	562	482	80	86%
2027	653	569	84	87%	586	504	82	86%
2028	681	595	86	87%	613	529	84	86%
2029	710	622	88	88%	639	553	86	87%
2030	740	650	90	88%	666	578	88	87%
2031	772	679	92	88%	694	604	90	87%
2032	805	710	95	88%	723	631	92	87%

Notes:

1. Values have been rounded.
2. MLR estimates have not been adjusted for fees and taxes or quality improvement expenses.
3. Values exclude non-ACA compliant coverage.

There is significant uncertainty regarding insurer pricing assumptions with or without the implementation of the 1332 waiver. Insurer competition, regulatory changes, and other unknown factors may result in actual claims and non-claims expenses varying materially from the above values. Additionally, economic changes, including both unemployment and inflation, that may influence premium rates have significant uncertainty during the projection period.

3. Coverage Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(C), a State's proposed waiver must provide coverage to at least a comparable number of its residents as the provisions of Title I of the ACA. Under Idaho's 1332 waiver, we estimate the number of Idahoans with health insurance coverage will increase slightly relative to without the waiver.

The following paragraphs detail 2022 (baseline year) health insurance coverage in the non-group market, as well as estimated coverage changes during the ten-year projection period, 2023 through 2032.

A. NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME

Figure 6a (Baseline Subsidies) and Figure 6b (ARP Subsidies) illustrate estimated non-group market enrollment in thousands under the status-quo ACA (without waiver) during the baseline year (2022), and the projection period (2023 through 2032) by household income, as measured as a percentage of the FPL. Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

FIGURE 6A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)

WITHOUT WAIVER – BASELINE SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	7	7	7	7	8	8	8	8	8	8
>150% to <=200%	15	14	14	14	14	14	15	15	15	15	15
>200% to <=250%	15	14	14	15	15	15	15	15	15	15	15
>250% to <=300%	10	9	9	9	9	9	9	10	10	10	10
>300% to <=400%	16	11	11	11	11	11	12	12	12	12	12
>400%	32	25	25	25	25	25	25	25	25	25	25
Total Individual	94	81	81	82	82	83	83	84	84	85	85

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

FIGURE 6B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)

WITHOUT WAIVER – ARP SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	8	8	8	8	8	8	8	8	8	8
>150% to <=200%	15	15	15	15	15	15	15	15	15	16	16
>200% to <=250%	15	15	15	15	15	16	16	16	16	16	16
>250% to <=300%	10	10	10	10	10	10	10	10	10	10	10
>300% to <=400%	16	12	12	12	12	12	12	12	12	12	13
>400%	32	26	26	26	26	27	27	27	27	28	28
Total Individual	94	85	85	86	87	87	88	89	89	90	91

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

For the population with income under 400% FPL, it is assumed that most of these households are receiving federal premium assistance to purchase health insurance coverage through YHI. We expect out-of-pocket premium rates for the APTC-eligible population (with the exception of impacts from ARP subsidies reverting to baseline levels in Figure 6a from calendar year 2022 to calendar year 2023) will not materially change during the ten-year projection period, resulting in steady APTC-eligible enrollment, with slight increases driven by population growth.

At the end of 2022, we assume transitional/grandfathered coverage will end, with many of these individuals electing to become uninsured in 2023 and the remainder enrolling in ACA compliant coverage. We have assumed this population cohort has income above 300% FPL, resulting in material enrollment increases for the 300% to 400% FPL and >400% FPL cohorts from calendar year 2022 to calendar year 2023. Thereafter, enrollment is estimated to grow slightly because of population growth.

Figure 7a (Baseline Subsidies) and Figure 7b (ARP Subsidies) illustrate estimated non-group market enrollment in thousands under the 1332 waiver (with waiver) during the baseline year (2022), and projection period (2023 through 2032). Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

FIGURE 7A
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM
ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)
WITH WAIVER – BASELINE SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	7	7	7	7	8	8	8	8	8	8
>150% to <=200%	15	14	14	14	14	14	15	15	15	15	15
>200% to <=250%	15	14	14	15	15	15	15	15	15	15	15
>250% to <=300%	10	9	9	9	9	9	9	10	10	10	10
>300% to <=400%	16	11	11	11	11	12	12	12	12	12	12
>400%	32	27	27	27	26	27	27	27	27	27	27
Total Individual	94	83	83	83	84	84	85	85	86	86	87

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

FIGURE 7B
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM
ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2022 THROUGH 2032 (THOUSANDS)
WITH WAIVER – ARP SUBSIDIES

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0	0	0	0	0	0	0	0	0	0	0
>=100% to <=150%	8	8	8	8	8	8	8	8	8	8	8
>150% to <=200%	15	15	15	15	15	15	15	15	15	16	16
>200% to <=250%	15	15	15	15	15	16	16	16	16	16	16
>250% to <=300%	10	10	10	10	10	10	10	10	10	10	10
>300% to <=400%	16	12	12	12	12	12	12	12	12	13	13
>400%	32	27	27	27	27	28	28	28	28	29	29
Total Individual	94	86	86	87	88	88	89	90	90	91	92

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

Figure 8a (Baseline Subsidies) and Figure 8b (ARP Subsidies) illustrates the estimated net non-group market change resulting from the implementation of the 1332 waiver from 2023 through 2032. Enrollment figures include all comprehensive non-group coverage, including transitional and grandfathered coverage.

FIGURE 8A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2023 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER – BASELINE SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>=100% to <=150%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>150% to <=200%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>200% to <=250%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>250% to <=300%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>300% to <=400%	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
>400%	0.0	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.5	1.5	1.5
Total Individual	0.0	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

FIGURE 8B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY HOUSEHOLD INCOME: 2023 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES**

INCOME LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
% OF FPL											
0% to <100%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>=100% to <=150%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>150% to <=200%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>200% to <=250%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>250% to <=300%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
>300% to <=400%	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
>400%	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Individual	0.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are rounded separately.

As previously stated, because the Pool is not assumed to materially impact out-of-pocket premium rates for the population receiving premium assistance, we have projected substantive enrollment changes only for the population ineligible for premium assistance.

B. NON-GROUP MARKET ENROLLMENT BY PREMIUM TAX CREDIT ELIGIBILITY

Figures 9a and 9b, 10a and 10b, and 11a and 11b illustrate the impact to non-group market enrollment resulting from the Pool based on enrollee APTC eligibility status with waiver, without waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b). Under the ACA, qualifying households with income between

100%⁵ and 400% FPL who do not qualify for Medicare or Medicaid are eligible for an APTC that may be used to purchase health insurance coverage through YHI. These figures illustrate estimated non-group market enrollment without waiver, with waiver, and the net change. Enrollment figures under the Pool (with waiver) include all comprehensive non-group coverage, including transitional and grandfathered coverage. The enrollment decreases illustrated from 2022 to 2023 reflect the impact of transitional coverage assumed to end on December 31, 2022. Changes to the State's transitional coverage policy may impact individual market enrollment during the projection period.

Enrollment in the 'Not Eligible' category includes individuals that may qualify for premium assistance but have not purchased a qualified health plan in YHI with premium assistance.

FIGURE 9A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER – BASELINE SUBSIDIES**

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	53	49	49	49	50	50	50	51	51	52	52
Not Eligible	41	33	33	32	32	33	33	33	33	33	33
Composite	94	81	81	82	82	83	83	84	84	85	85

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 9B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER – ARP SUBSIDIES**

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	53	56	56	57	57	58	58	59	59	59	60
Not Eligible	41	29	29	29	29	30	30	30	30	31	31
Composite	94	85	85	86	87	87	88	89	89	90	91

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

⁵ Lawfully present non-citizens with income below 100% FPL may also receive a premium tax credit

FIGURE 10A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER – BASELINE SUBSIDIES**

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	53	49	49	49	50	50	50	51	51	52	52
Not Eligible	41	34	34	34	34	34	34	34	34	35	35
Composite	94	83	83	83	84	84	85	85	86	86	87

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 10B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER – ARP SUBSIDIES**

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	53	56	56	57	57	58	58	59	59	59	60
Not Eligible	41	30	30	30	30	31	31	31	31	32	32
Composite	94	86	86	87	88	88	89	90	90	91	92

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 11A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER – BASELINE SUBSIDIES**

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Not Eligible	0.0	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Composite	0.0	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 11B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY PREMIUM TAX CREDIT STATUS: 2022 THROUGH 2032 (THOUSANDS)

NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES

APTC STATUS	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Eligible	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Not Eligible	0.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Composite	0.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Notes:

1. Values are rounded to the nearest thousand.

Total values are separately rounded.

Under the ARP Subsidies scenario, APTC enrollment represents a larger proportion of the individual market (approximately 65% in calendar year 2023) relative to Baseline Subsidies scenario (59% in calendar year 2023).

C. NON-GROUP MARKET ENROLLMENT BY METALLIC LEVEL

Figures 12a and 12b, 13a and 13b, and 14a and 14b illustrate the estimated impact to non-group market enrollment by plan level with waiver, without waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b). Under the ACA, households may purchase a non-group plan in one of four metallic tiers: Bronze, Silver, Gold, or Platinum.⁶ However, insurers participating in Idaho's non-group market do not currently offer Platinum level coverage. Catastrophic plans are available for individuals under age 30 or persons qualifying for an unaffordability or hardship exemption. Additionally, there is a relatively small portion of the non-group market that has maintained grandfathered or transitional coverage that was first purchased prior to the ACA's reformed rating rules implemented in 2014. For modeling purposes, we assumed transitional coverage will end and grandfathered coverage would phase-out after 2022.

FIGURE 12A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

WITHOUT WAIVER - BASELINE SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	50	50	50	50	51	51	51	52	52	52
Silver	23	23	23	23	23	24	24	24	24	24	24
Gold	7	8	8	8	8	8	8	8	8	8	8
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
Composite	94	81	81	82	82	83	83	84	84	85	85

Notes:

1. Values are rounded to the nearest thousand.

2. Total values are separately rounded.

⁶ See <https://www.healthcare.gov/choose-a-plan/plans-categories/> for more information.

FIGURE 12B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITHOUT WAIVER - ARP SUBSIDIES**

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	52	53	53	54	54	54	55	55	56	56
Silver	23	24	24	24	24	25	25	25	25	25	26
Gold	7	8	8	8	8	8	8	8	8	8	9
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
Composite	94	85	85	86	87	87	88	89	89	90	91

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 13A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER - BASELINE SUBSIDIES**

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	51	51	51	52	52	52	52	53	53	53
Silver	23	23	23	24	24	24	24	24	24	25	25
Gold	7	8	8	8	8	8	8	8	8	8	8
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
Composite Individual	94	83	83	83	84	84	85	85	86	86	87

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 13B

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM**

ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

WITH WAIVER - ARP SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0	0	0	0	0	0	0	0	0	0	0
Bronze	49	53	53	54	54	55	55	56	56	56	57
Silver	23	24	24	24	25	25	25	25	25	26	26
Gold	7	8	8	8	8	8	8	8	8	9	9
Platinum	0	0	0	0	0	0	0	0	0	0	0
Non-ACA	15	0	0	0	0	0	0	0	0	0	0
Composite Individual	94	86	86	87	88	88	89	90	90	91	92

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 14A

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM**

ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

NET ENROLLMENT CHANGE RESULTING FROM WAIVER - BASELINE SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bronze	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1
Silver	0.0	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Gold	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Platinum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	0.0	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 14B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES

PLAN LEVEL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Catastrophic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bronze	0.0	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Silver	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Gold	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Platinum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	0.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

As shown in Figure 14a and Figure 14b, the majority of individual market enrollment increases resulting from the waiver are estimated to come from the Bronze coverage tier, as individuals with income above 400% FPL predominately enroll in Bronze coverage because it is more affordable relative to other tiers.

D. NON-GROUP MARKET ENROLLMENT BY AGE

Figures 15a and 15b, 16a and 16b, and 17a and 17b illustrate the estimated impacts to non-group market enrollment by age group without waiver, with waiver, and the net change under the Baseline Subsidies (a) and ARP subsidies (b).

FIGURE 15A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM

ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)

WITHOUT WAIVER - BASELINE SUBSIDIES

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 AND UNDER	16	13	13	12	12	12	12	13	13	13	13
18 TO 25	7	6	6	6	6	6	6	6	6	6	6
26 TO 34	11	9	9	9	9	9	9	9	10	10	10
35 TO 44	17	15	15	15	15	15	15	15	15	15	16
45 TO 54	16	14	14	14	14	14	15	15	15	15	15
55 TO 64	26	23	23	22	22	23	23	23	23	23	23
65 AND OVER	3	3	3	3	3	3	3	3	3	3	3
TOTAL	94	81	81	82	82	83	83	84	84	85	85

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 15B
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM
ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)
WITHOUT WAIVER - ARP SUBSIDIES

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	16	13	13	13	13	13	13	13	14	14	14
18 to 25	7	6	6	6	6	6	6	7	7	7	7
26 to 34	11	10	10	10	10	10	10	10	10	10	10
35 to 44	17	15	15	16	16	16	16	16	16	16	17
45 to 54	16	14	15	15	15	15	15	16	16	16	16
55 to 64	26	23	23	23	23	24	24	24	24	24	24
65 and Over	3	3	3	3	3	3	3	3	3	3	3
Total	94	85	85	86	87	87	88	89	89	90	91

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 16A
IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM
ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)
WITH WAIVER - BASELINE SUBSIDIES

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	16	13	13	13	13	13	13	13	13	13	13
18 to 25	7	6	6	6	6	6	6	6	6	6	6
26 to 34	11	9	9	9	10	10	10	10	10	10	10
35 to 44	17	15	15	15	15	15	15	16	16	16	16
45 to 54	16	14	14	14	15	15	15	15	15	15	16
55 to 64	26	23	23	23	23	23	23	23	23	23	23
65 and Over	3	3	3	3	3	3	3	3	3	3	3
Total	94	83	83	83	84	84	85	85	86	86	87

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 16B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****WITH WAIVER – ARP SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	16	13	13	13	13	13	13	14	14	14	14
18 to 25	7	6	6	6	7	7	7	7	7	7	7
26 to 34	11	10	10	10	10	10	10	10	10	10	10
35 to 44	17	16	16	16	16	16	16	16	17	17	17
45 to 54	16	15	15	15	15	15	16	16	16	16	16
55 to 64	26	24	24	24	24	24	24	24	24	24	24
65 and Over	3	3	3	3	3	3	3	3	3	3	3
Total	94	86	86	87	88	88	89	90	90	91	92

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 17A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)****NET ENROLLMENT CHANGE RESULTING FROM WAIVER - BASELINE SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
18 to 25	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
26 to 34	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
35 to 44	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
45 to 54	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
55 to 64	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4
65 and Over	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0.0	1.5	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.6	1.6

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

FIGURE 17B

**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM**

**ESTIMATED NON-GROUP MARKET ENROLLEES BY PLAN LEVEL: 2022 THROUGH 2032 (THOUSANDS)
NET ENROLLMENT CHANGE RESULTING FROM WAIVER – ARP SUBSIDIES**

AGE GROUP	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
17 and Under	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
18 to 25	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
26 to 34	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
35 to 44	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
45 to 54	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
55 to 64	0.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
65 and Over	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	0.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1

Notes:

1. Values are rounded to the nearest thousand.
2. Total values are separately rounded.

As shown in Figure 17a and Figure 17b, the change in enrollment in the individual market due to the Pool is projected to increase individual market enrollment across each age group slightly.

E. NON-GROUP MARKET HEALTH STATUS IMPACT

Because of the Pool's limited impact on overall market enrollment, we do not estimate any material changes to the overall individual market risk pool's morbidity. The reduced premium rates resulting from the implementation of the Pool will benefit Idahoans regardless of health status.

4. Affordability Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(B), a state's proposed 1332 waiver must provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable under Title I of the ACA. As described in CMS-9936-N, increasing the number of state residents with large health care spending burdens relative to their incomes would result in a waiver proposal failing to meet the affordability requirement of the 1332 waiver application.⁷ Additionally, regulations state an evaluation of the affordability requirement will take into account the impact of the waiver proposal to "vulnerable residents, including low-income individuals, elderly individuals, and those with serious health issues or who have a greater risk of developing serious health issues".

The Pool is estimated to result in premium rate decreases of approximately 10% (relative to without the waiver). This decrease is driven primarily by the direct subsidy that the Pool provides to the individual market, and to a lesser extent, the marginally improved morbidity of the individual market risk pool.

While the overall premium rate impacts from the Pool are estimated to reduce premium rates by approximately 10%, the following directional impacts are estimated to be experienced by different cohorts of Idaho's individual health insurance market.

- For the majority of the existing APTC-eligible population, the 1332 waiver will not impact out-of-pocket premium costs for the second-lowest cost Silver plan (subsidy benchmark plan). These households will continue to pay up to a maximum percentage of their household income for the subsidy benchmark plan.
- A very small portion of consumers receiving an APTC in the absence of the Pool may no longer be eligible for the subsidy after the implementation of the Pool, due to the premium expense not exceeding the maximum percentage of household income as defined under the ACA. These consumers will realize out-of-pocket premium savings as a result of the Pool. The income level at which this described scenario occurs increases with age and will occur at higher income levels under the ARP Subsidies scenario relative to the Baseline Subsidies scenario.
- For consumers purchasing coverage through YHI without an APTC or outside YHI, premium savings will be realized from the Pool.
- For persons qualifying for APTC that are purchasing Bronze level coverage, it is possible that out-of-pocket premiums may increase as a result of the Pool. As the Pool is estimated to reduce the dollar amount of the APTC for qualifying individuals, the available financial assistance that can be applied to the purchase of Bronze level coverage is reduced. Based on March 2022 enrollment data provided by YHI, approximately 34,000 Idahoans are purchasing Bronze coverage with an APTC.
- Due to the ACA's permissible 3:1 age rating factor and the discontinuation of federal CSR payments, some older adults are eligible for a \$0 Bronze plan at income levels above 300% FPL (and even more likely so if ARP Subsidies are extended through the projection period). As the Pool is estimated to reduce premiums, it is likely the number of marketplace enrollees qualifying for a \$0 Bronze plan will decrease by a very small degree relative to without the waiver.
- For enrollees with income under 200% FPL, we estimate a large portion of marketplace enrollees will continue to have access to a Bronze plan with \$0 out-of-pocket premium. Additionally, the majority of consumers with income less than 200% FPL are projected to purchase Silver coverage to access plans with reduced cost sharing (CSR variants).

Premium savings from the Pool will vary by allowable rating factors under the ACA and the APTC structure: age, tobacco-usage, geographic location, plan metallic level, and household income. Enrollees will realize out-of-pocket premium savings consistent with their demographics as they relate to these factors. The Pool does not make any changes to required insurer plan design, cost sharing limitations, or cost sharing assistance in the non-group market.

The following sections provide estimates of changes in market premiums and APTC amounts resulting from the Pool.

⁷ See <https://www.gpo.gov/fdsys/pkg/FR-2015-12-16/pdf/2015-31563.pdf> for more information.

A. NON-GROUP MARKET PER MEMBER PER MONTH PREMIUM

Figures 18a and 18b, 19a and 19b, and 20a and 20b illustrate estimated non-group PMPM premiums for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change in PMPM premiums for the Baseline Subsidies (a) and ARP subsidies (b). We have illustrated premiums separately for ACA-compliant coverage (ACA) and transitional/grandfathered coverage (Non-ACA). ACA coverage reflects premiums attributable to coverage purchased through YHI, as well as coverage outside YHI that is compliant with ACA rating rules. Note, drivers of premium rate changes include direct impacts from the Pool, as well as age and plan mix changes. Non-ACA coverage is assumed to end after 2022 under both the without and with waiver scenarios. In projecting premium rates beyond 2022, we have relied on CMS Office of the Actuary's National Health Expenditure projections for per capita private health insurance spending (excluding Medigap and Property & Casualty insurance).⁸

FIGURE 18A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITHOUT WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$547	\$574	\$601	\$628	\$655	\$683	\$712	\$743	\$775	\$808
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
Composite	\$456	\$547	\$574	\$601	\$628	\$655	\$683	\$712	\$743	\$775	\$808

Note: Values are rounded to the nearest whole dollar.

FIGURE 18B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITHOUT WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$544	\$570	\$597	\$623	\$650	\$677	\$706	\$737	\$768	\$801
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
Composite	\$456	\$544	\$570	\$597	\$623	\$650	\$677	\$706	\$737	\$768	\$801

Note: Values are rounded to the nearest whole dollar.

FIGURE 19A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032****WITH WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$485	\$516	\$542	\$566	\$589	\$616	\$642	\$669	\$697	\$727
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
Composite	\$456	\$485	\$516	\$542	\$566	\$589	\$616	\$642	\$669	\$697	\$727

Note: Values are rounded to the nearest whole dollar.

⁸ <https://www.cms.gov/files/zip/nhe-projections-tables.zip>, Table 17.

FIGURE 19B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

WITH WAIVER – ARP SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$498	\$480	\$510	\$536	\$559	\$583	\$610	\$635	\$662	\$690	\$720
Non-ACA	235	0	0	0	0	0	0	0	0	0	0
Composite	\$456	\$480	\$510	\$536	\$559	\$583	\$610	\$635	\$662	\$690	\$720

Note: Values are rounded to the nearest whole dollar.

FIGURE 20A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

COVERAGE REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

NET PMPM DOLLAR CHANGE – BASELINE SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$0	(\$62)	(\$58)	(\$59)	(\$62)	(\$65)	(\$67)	(\$70)	(\$74)	(\$78)	(\$82)
Non-ACA	0	0	0	0	0	0	0	0	0	0	0
Composite	\$0	(\$62)	(\$58)	(\$59)	(\$62)	(\$65)	(\$67)	(\$70)	(\$74)	(\$78)	(\$82)

Note: Values are rounded to the nearest whole dollar.

FIGURE 20B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

COVERAGE REINSURANCE PROGRAM ESTIMATED NON-GROUP PREMIUM PMPM BY PLAN TYPE: 2022 THROUGH 2032

NET PMPM DOLLAR CHANGE – ARP SUBSIDIES

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	(\$0)	(\$64)	(\$60)	(\$61)	(\$64)	(\$67)	(\$68)	(\$71)	(\$74)	(\$78)	(\$81)
Non-ACA	0	0	0	0	0	0	0	0	0	0	0
Composite	(\$0)	(\$64)	(\$60)	(\$61)	(\$64)	(\$67)	(\$68)	(\$71)	(\$74)	(\$78)	(\$81)

Note: Values are rounded to the nearest whole dollar.

As observed in the above figures, the Pool is estimated to result in a PMPM premium decrease for ACA compliant coverage of approximately \$60 to \$80 PMPM during the ten-year projection period relative to estimated premium levels without the waiver. The above premium rate changes have not been normalized for changes in age and metallic plan mix resulting from the Pool. Premium rates under the waiver in 2023 and beyond are estimated to increase due primarily to healthcare expense inflation, while still being lower if the Pool was terminated.

B. NON-GROUP MARKET AGGREGATE PREMIUM

The following tables illustrate estimated non-group aggregate premium for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change in aggregate premium for the Baseline Subsidies (a) and ARP subsidies (b). We have illustrated premiums separately for ACA-compliant coverage (ACA) and transitional/grandfathered coverage (Non-ACA). ACA coverage reflects premiums attributable to coverage purchased through YHI, as well as coverage outside YHI that is compliant with ACA rating rules.

FIGURE 21A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)
WITHOUT WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 533.0	\$ 560.9	\$ 589.4	\$ 618.4	\$ 648.8	\$ 680.9	\$ 714.7	\$ 750.2	\$ 787.5	\$ 826.8
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 516.9	\$ 533.0	\$ 560.9	\$ 589.4	\$ 618.4	\$ 648.8	\$ 680.9	\$ 714.7	\$ 750.2	\$ 787.5	\$ 826.8

Note: Dollar amounts are rounded to the nearest million.

FIGURE 21B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)
WITHOUT WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 552.1	\$ 582.9	\$ 614.5	\$ 646.8	\$ 679.7	\$ 714.4	\$ 751.0	\$ 789.5	\$ 830.0	\$ 872.7
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 516.9	\$ 552.1	\$ 582.9	\$ 614.5	\$ 646.8	\$ 679.7	\$ 714.4	\$ 751.0	\$ 789.5	\$ 830.0	\$ 872.7

Note: Dollar amounts are rounded to the nearest million.

As illustrated in Figure 21a and Figure 21b, aggregate ACA-compliant premiums in 2022 are estimated to be \$474 million. During the projection period, individual market premium volume without the waiver is estimated to increase to approximately \$830 million under the Baseline Subsidies scenario (\$870 million under the ARP Subsidies scenario).

FIGURE 22A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL
REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)
WITH WAIVER – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 481.7	\$ 513.8	\$ 541.7	\$ 567.7	\$ 595.0	\$ 626.1	\$ 656.4	\$ 688.3	\$ 721.9	\$ 757.1
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 516.9	\$ 481.7	\$ 513.8	\$ 541.7	\$ 567.7	\$ 595.0	\$ 626.1	\$ 656.4	\$ 688.3	\$ 721.9	\$ 757.1

Note: Dollar amounts are rounded to the nearest million.

FIGURE 22B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****WITH WAIVER – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 474.3	\$ 492.8	\$ 527.7	\$ 558.6	\$ 587.7	\$ 617.4	\$ 650.9	\$ 683.8	\$ 718.5	\$ 755.1	\$ 793.5
Non-ACA	42.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 516.9	\$ 492.8	\$ 527.7	\$ 558.6	\$ 587.7	\$ 617.4	\$ 650.9	\$ 683.8	\$ 718.5	\$ 755.1	\$ 793.5

Note: Dollar amounts are rounded to the nearest million.

FIGURE 23A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****NET CHANGE – BASELINE SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 0.0	(\$ 51.3)	(\$ 47.2)	(\$ 47.7)	(\$ 50.7)	(\$ 53.8)	(\$ 54.8)	(\$ 58.2)	(\$ 61.9)	(\$ 65.7)	(\$ 69.7)
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 0.0	(\$ 51.3)	(\$ 47.2)	(\$ 47.7)	(\$ 50.7)	(\$ 53.8)	(\$ 54.8)	(\$ 58.2)	(\$ 61.9)	(\$ 65.7)	(\$ 69.7)

Note: Dollar amounts are rounded to the nearest million.

FIGURE 23B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED NON-GROUP AGGREGATE PREMIUM BY PLAN TYPE: 2022 THROUGH 2032 (\$ MILLIONS)****NET CHANGE – ARP SUBSIDIES**

PLAN TYPE	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
ACA	\$ 0.0	(\$ 59.2)	(\$ 55.2)	(\$ 55.9)	(\$ 59.0)	(\$ 62.3)	(\$ 63.5)	(\$ 67.1)	(\$ 70.9)	(\$ 74.9)	(\$ 79.2)
Non-ACA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Composite	\$ 0.0	(\$ 59.2)	(\$ 55.2)	(\$ 55.9)	(\$ 59.0)	(\$ 62.3)	(\$ 63.5)	(\$ 67.1)	(\$ 70.9)	(\$ 74.9)	(\$ 79.2)

Note: Dollar amounts are rounded to the nearest million.

The change in aggregate premium resulting from the waiver is tied closely to assumed Pool funding in each year. Pool funding under the Baseline Subsidies scenario is assumed to increase from \$58.5 million (calendar year 2023) to \$81.2 million (calendar year 2032). Pool funding under the ARP Subsidies scenario is assumed to increase from \$63.5 million (calendar year 2023) to \$86.2 million (calendar year 2032). Premium reductions from the Pool are offset by slightly higher market enrollment attributable to more affordable insurance coverage under the waiver.

C. SECOND-LOWEST-COST SILVER PLAN PREMIUM – 40 YEAR OLD

Based on discussions with the Department of Insurance, we have assumed the premium rate impact from the Pool will not vary materially among carriers, nor will the impact to the second-lowest-cost silver plan premium vary relative to other plans offered on YHI or outside the marketplace.

Figures 24a and 24b, 25a and 25b, and 26a and 26b illustrate the estimated second-lowest-cost Silver plan PMPM premiums (also referred to as the “subsidy benchmark plan”) for a single, 40 year old, non-tobacco user in Idaho’s six rating areas for the Baseline Subsidies (a) and ARP subsidies (b).⁹ The majority of enrollment is estimated to be in Rating Areas 3 through 5, representing nearly 75% of statewide individual market enrollment.

⁹ <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/id-gra.html>

We have assumed variation by rating area during the projection period is consistent with the observed variation in the baseline year.

FIGURE 24A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

WITHOUT WAIVER – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 491	\$ 515	\$ 539	\$ 563	\$ 588	\$ 613	\$ 639	\$ 666	\$ 695	\$ 724
2	479	528	554	579	605	631	658	686	715	746	778
3	458	504	529	553	578	603	629	656	684	713	743
4	445	490	514	538	562	586	611	637	664	693	722
5	518	571	599	627	655	683	712	742	774	807	842
6	445	491	514	538	562	587	612	638	665	693	723
Composite	\$ 461	\$ 508	\$ 533	\$ 557	\$ 582	\$ 607	\$ 633	\$ 660	\$ 688	\$ 718	\$ 749

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 24B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

WITHOUT WAIVER – ARP SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 491	\$ 515	\$ 538	\$ 563	\$ 587	\$ 612	\$ 638	\$ 665	\$ 693	\$ 723
2	479	527	553	578	604	630	657	685	714	745	777
3	458	504	528	553	577	602	628	654	682	712	742
4	445	489	513	537	561	585	610	636	663	691	721
5	518	570	598	626	654	682	711	741	773	806	840
6	445	490	514	538	562	586	611	637	664	692	722
Composite	\$ 461	\$ 507	\$ 532	\$ 556	\$ 581	\$ 606	\$ 632	\$ 659	\$ 687	\$ 717	\$ 747

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 25A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

WITH WAIVER – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 437	\$ 464	\$ 487	\$ 509	\$ 530	\$ 554	\$ 577	\$ 601	\$ 626	\$ 652
2	479	469	498	523	546	569	595	619	645	672	700
3	458	448	476	500	522	544	568	592	617	642	669
4	445	435	463	486	507	528	552	575	599	624	650
5	518	507	539	566	591	616	644	670	698	727	758
6	445	436	463	486	508	529	553	576	600	625	651
Composite	\$ 461	\$ 451	\$ 480	\$ 504	\$ 526	\$ 547	\$ 572	\$ 596	\$ 621	\$ 647	\$ 674

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 25B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

WITH WAIVER – ARP SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 446	\$ 433	\$ 461	\$ 484	\$ 506	\$ 527	\$ 551	\$ 574	\$ 598	\$ 624	\$ 650
2	479	465	495	520	543	566	592	617	643	670	698
3	458	445	473	497	519	541	566	589	614	640	667
4	445	432	459	483	504	525	550	573	597	622	648
5	518	504	535	563	588	612	641	667	696	725	756
6	445	432	460	483	505	526	550	573	597	623	649
Composite	\$ 461	\$ 448	\$ 476	\$ 500	\$ 522	\$ 545	\$ 570	\$ 593	\$ 618	\$ 645	\$ 672

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 26A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

NET CHANGE – BASELINE SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 0	\$ (55)	\$ (51)	\$ (52)	\$ (55)	\$ (58)	\$ (59)	\$ (62)	\$ (65)	\$ (69)	\$ (72)
2	0	(59)	(55)	(56)	(59)	(62)	(63)	(67)	(70)	(74)	(78)
3	0	(56)	(53)	(53)	(56)	(59)	(60)	(64)	(67)	(71)	(74)
4	0	(55)	(51)	(52)	(55)	(58)	(59)	(62)	(65)	(69)	(72)
5	0	(64)	(60)	(60)	(64)	(67)	(68)	(72)	(76)	(80)	(84)
6	0	(55)	(51)	(52)	(55)	(58)	(59)	(62)	(65)	(69)	(72)
Composite	\$ 0	\$ (57)	\$ (53)	\$ (54)	\$ (57)	\$ (60)	\$ (61)	\$ (64)	\$ (68)	\$ (71)	\$ (75)

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

FIGURE 26B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED SECOND LOWEST COST SILVER PLAN PMPM PREMIUM, SINGLE 40 YEAR OLD: 2022 THROUGH 2032

NET CHANGE – ARP SUBSIDIES

RATING AREA	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
1	\$ 0	\$ (57)	\$ (54)	\$ (54)	\$ (57)	\$ (60)	\$ (61)	\$ (63)	\$ (66)	\$ (70)	\$ (73)
2	0	(62)	(58)	(58)	(61)	(64)	(65)	(68)	(71)	(75)	(78)
3	0	(59)	(55)	(56)	(58)	(61)	(62)	(65)	(68)	(71)	(75)
4	0	(57)	(54)	(54)	(57)	(60)	(60)	(63)	(66)	(69)	(73)
5	0	(67)	(63)	(63)	(66)	(69)	(70)	(74)	(77)	(81)	(85)
6	0	(57)	(54)	(54)	(57)	(60)	(60)	(63)	(66)	(69)	(73)
Composite	\$ 0	\$ (59)	\$ (56)	\$ (56)	\$ (59)	\$ (62)	\$ (63)	\$ (66)	\$ (69)	\$ (72)	\$ (75)

Notes:

1. Values are rounded to the nearest whole dollar.
2. Premiums reflect non-tobacco user.

As shown in Figure 26a and Figure 26b, each rating area is expected to experience a reduction in the premium amount for the subsidy benchmark plan under the “with waiver” scenario. We have assumed the baseline premium rates accurately reflect the underlying insured population in each rating region. Therefore, on a PMPM basis, rating areas with higher baseline premiums are estimated to have a greater PMPM reduction relative to rating areas with less expense premiums. Similarly, because the Pool will reimburse insurers for covered individuals meeting specific clinical criteria, we have assumed these clinical conditions are uniformly and proportionately distributed by rating area. On a percentage basis, we estimate premium rate reductions of approximately 10% resulting from the Pool for the subsidy benchmark plan.

D. ADVANCED PREMIUM TAX CREDIT

Figures 27a and 27b, 28a and 28b, and 29a and 29b illustrate the estimated number of average monthly enrollees receiving an APTC through YHI, the average APTC PMPM amount, and aggregate APTC expenditures for 2022 and the ten-year projection period without the waiver, under the waiver, and the net change for these values resulting from waiver implementation for the Baseline Subsidies (a) and ARP subsidies (b). In the without waiver scenario, we estimate aggregate APTC expenditures of approximately \$292 million in 2022, increasing to approximately between \$450 million (Baseline Subsidies) and \$540 million (ARP Subsidies) by 2032.

FIGURE 27A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM

ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032

WITHOUT WAIVER – BASELINE SUBSIDIES

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	53.4	48.6	48.9	49.3	49.7	50.1	50.5	50.9	51.3	51.7	52.1
APTC PMPM ²	\$456	\$471	\$496	\$521	\$546	\$571	\$598	\$625	\$654	\$684	\$716
Aggregate APTC ³	\$ 292	\$ 274	\$ 291	\$ 308	\$ 326	\$ 343	\$ 362	\$ 382	\$ 403	\$ 425	\$ 448

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

FIGURE 27B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITHOUT WAIVER – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	53.4	55.8	56.3	56.7	57.1	57.6	58.1	58.5	59.0	59.5	59.9
APTC PMPM ²	\$456	\$496	\$522	\$548	\$574	\$600	\$627	\$655	\$685	\$716	\$749
Aggregate APTC ³	\$ 292	\$ 332	\$ 352	\$ 373	\$ 393	\$ 414	\$ 437	\$ 460	\$ 485	\$ 511	\$ 539

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

FIGURE 28A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITH WAIVER – BASELINE SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	53.4	48.6	48.9	49.3	49.7	50.1	50.5	50.9	51.3	51.7	52.1
APTC PMPM ²	\$456	\$402	\$431	\$456	\$477	\$499	\$524	\$547	\$572	\$598	\$625
Aggregate APTC ³	\$ 292	\$ 234	\$ 253	\$ 270	\$ 285	\$ 300	\$ 317	\$ 334	\$ 352	\$ 371	\$ 391

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

FIGURE 28B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****WITH WAIVER – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	53.4	55.8	56.3	56.7	57.1	57.6	58.0	58.5	59.0	59.5	59.9
APTC PMPM ²	\$456	\$429	\$458	\$483	\$506	\$529	\$556	\$581	\$607	\$634	\$663
Aggregate APTC ³	\$ 292	\$ 287	\$ 309	\$ 329	\$ 347	\$ 366	\$ 387	\$ 408	\$ 430	\$ 453	\$ 477

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

FIGURE 29A**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****NET CHANGE – BASELINE SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
APTC PMPM ²	\$0	(\$69)	(\$64)	(\$65)	(\$69)	(\$73)	(\$74)	(\$78)	(\$82)	(\$86)	(\$91)
Aggregate APTC ³	\$ 0	(\$ 40)	(\$ 38)	(\$ 39)	(\$ 41)	(\$ 44)	(\$ 45)	(\$ 48)	(\$ 51)	(\$ 54)	(\$ 57)

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

FIGURE 29B**IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL****REINSURANCE PROGRAM****ESTIMATED PREMIUM TAX CREDIT ENROLLMENT AND EXPENDITURES: 2022 THROUGH 2032****NET CHANGE – ARP SUBSIDIES**

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
APTC Enrollees ¹	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
APTC PMPM ²	(\$0)	(\$67)	(\$63)	(\$64)	(\$67)	(\$70)	(\$71)	(\$75)	(\$78)	(\$82)	(\$86)
Aggregate APTC ³	\$ 0	(\$ 45)	(\$ 43)	(\$ 44)	(\$ 46)	(\$ 49)	(\$ 50)	(\$ 52)	(\$ 55)	(\$ 58)	(\$ 62)

Notes:

1. Values for APTC enrollees are rounded to the nearest thousand.
2. Values for APTC PMPM are rounded to the nearest whole dollar.
3. Values for Aggregate APTC are rounded to the nearest million.
4. Figures represent estimated average monthly effectuated enrollment each year.

As shown in Figure 29a and Figure 29b, the Pool is estimated to not have any material impact on APTC enrollment.

5. Comprehensiveness Requirements

As required under 45 CFR 155.1308(f)(3)(iv)(A), a state's proposed 1332 waiver must provide coverage that is at least as comprehensive as the coverage defined in Section 1302(b) of the ACA. As described in CMS-9936-N, comprehensiveness refers to the scope of benefits provided by the coverage as measured by the extent to which coverage meets the requirements for essential health benefits (EHBs). The Pool makes no changes to EHB requirements in the individual market, fulfilling the comprehensiveness requirements of 45 CFR 155.1308(f)(4)(iv)(A).

6. Sensitivity Testing Related to the End of the Covid-19 Public Health Emergency

In the above projections, we have not made any explicit adjustments for individual market enrollment changes resulting from the end of the COVID-19 PHE. As of the date of this report, the end of the COVID-19 PHE has not been announced and therefore the timing of any enrollment impacts from the end of the PHE are uncertain. During the PHE, the Medicaid redetermination process has been paused¹⁰, resulting in a portion of the Medicaid population retaining coverage that would have otherwise lapsed to the extent the PHE was not in effect.

To illustrate the potential effects of higher individual market that may result from the end of the PHE, we have modeled an alternative scenario that assumes an additional 10,000 individuals with household income between 139% and 200% FPL enter the ACA-compliant market in calendar year 2023. The additional enrollment of 10,000 persons is assumed to occur with or without the waiver in place. Figure 30 illustrates the impact of this scenario for total ACA-compliant enrollment, APTC enrollment, and APTC expenditures under both the Baseline Subsidies and ARP subsidies scenarios. Total Pool funding is assumed to remain the same as the assumptions documented in Figure 3a and Figure 3b. While APTC expenditures increase as a result of the enrollment influx, the APTC change from the waiver itself is estimated to only vary between 7% (\$40.1 million to \$43.0 million under the Baseline Subsidies scenario) and 6% (\$45.3 million to \$47.8 million under the ARP Subsidies scenario) as a result of the waiver.

¹⁰ <https://www.medicaid.gov/federal-policy-guidance/downloads/sho22001.pdf>

FIGURE 30

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

Estimated Impact of the End of the COVID-19 Public Health Emergency on Calendar Year 2023

PHE STATUS	INDIVIDUALS INSURED IN NON-GROUP MARKET – BASELINE SUBSIDIES			INDIVIDUALS INSURED IN NON-GROUP MARKET – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	81.2	82.7	1.5	84.6	85.6	1.0
PHE Influx Scenario	91.2	92.7	1.5	94.6	95.6	1.0
PHE Influx Change	10.0	10.0	0.0	10.0	10.0	0.0

PHE STATUS	INDIVIDUALS ENROLLED IN APTCS – BASELINE SUBSIDIES			INDIVIDUALS ENROLLED IN APTCS – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	48.6	48.6	0.0	55.8	55.8	0.0
PHE Influx Scenario	58.6	58.6	0.0	65.8	65.8	0.0
PHE Influx Change	10.0	10.0	0.0	10.0	10.0	0.0

PHE STATUS	TOTAL APTC EXPENDITURES – BASELINE SUBSIDIES			TOTAL APTC EXPENDITURES – ARP SUBSIDIES		
	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	WAIVER IMPACT
No PHE Influx	\$ 274.4	\$ 234.3	(\$ 40.1)	\$ 332.4	\$ 287.2	(\$ 45.3)
PHE Influx Scenario	\$ 342.4	\$ 299.4	(\$ 43.0)	\$ 405.5	\$ 357.7	(\$ 47.8)
PHE Influx Change	\$ 68.0	\$ 65.1	(\$ 2.9)	\$ 73.1	\$ 70.6	(\$ 2.5)

Figure 31 illustrates the change in estimated federal pass-through funding under the alternative scenario in calendar year 2023, reflecting the APTC savings and the estimated APTC / PTC reconciliation factor of 92.8%. Federal pass-through funding is estimated to increase by \$2.9 million under the Baseline Subsidies scenario and by \$2.5 million under the ARP Subsidies scenario. Since the new enrollees are assumed to qualify for significant premium assistance as a result of having income between 139% and 200% FPL, the share of total market premiums funded by APTC expenditures increases, resulting in greater pass-through funding under the waiver.

FIGURE 31

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

Estimated Impact of the End of the COVID-19 Public Health Emergency on Calendar Year 2023 Expenditures

PHE STATUS	IMPACT OF WAIVER ON FEDERAL APTC EXPENDITURES - BASELINE SUBSIDIES		IMPACT OF WAIVER ON FEDERAL APTC EXPENDITURES - ARP SUBSIDIES	
	GROSS EXPENDITURES	NET OF PTC/APTC RECONCILIATION	GROSS EXPENDITURES	NET OF PTC/APTC RECONCILIATION
No PHE Influx	(\$ 40.1)	(\$ 37.2)	(\$ 45.3)	(\$ 42.0)
PHE Influx Scenario	(\$ 43.0)	(\$ 39.9)	(\$ 47.8)	(\$ 44.4)
PHE Influx Change	(\$ 2.9)	(\$ 2.7)	(\$ 2.5)	(\$ 2.4)

Figure 32 illustrates the estimated impact of the alternative scenario on the premium rate for the second-lowest cost silver plan for a 21 year old in calendar year 2023. Because the total Pool funding remains unchanged, the premium rate decrease resulting from the Pool is estimated to be dampened as the reinsurance funds must be spread across a larger market with additional aggregate claims expense. While premium rates for a 21 year old are illustrated, the estimated percentage impact to premium rates for other ages will be identical. The influx of 10,000 members with income between 139% and 200% FPL is also estimated to increase the required silver loading for cost-sharing reduction (CSR) plans, causing premium rate for the second-lowest cost silver plan to increase with or without the waiver.

FIGURE 32

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

CHANGES IN SECOND LOWEST COST SILVER PLAN MONTHLY PREMIUM FROM PHE TERMINATION

21-YEAR OLD MONTHLY PREMIUM - BASELINE				
PHE STATUS	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	% CHANGE
No PHE Influx	\$397	\$353	(44)	(11%)
PHE Influx Scenario	\$410	\$370	(40)	(10%)
21-YEAR OLD MONTHLY PREMIUM - ARP SUBSIDIES				
PHE STATUS	WITHOUT 1332 WAIVER	WITH 1332 WAIVER	CHANGE	% CHANGE
No PHE Influx	\$397	\$350	(46)	(12%)
PHE Influx Scenario	\$409	\$367	(42)	(10%)

SECTION II. ECONOMIC ANALYSIS

45 CFR 155.1308(f)(4)(ii) requires the Section 1332 Waiver application to provide economic analyses to support the State's estimates that the proposed waiver will comply with the comprehensive coverage requirement, the affordability requirement, and the scope of coverage requirement and the federal deficit requirement. Analyses related to the estimated impact of the 1332 waiver to health insurance coverage in Idaho has been provided within the actuarial certification. This section addresses the deficit neutrality requirements of the waiver application, providing a ten-year budget plan that includes all costs under the waiver, including administrative and other costs to the federal government.

As shown in the actuarial analysis, Figures 29a and 29b, the Pool is estimated to have a significant impact on the federal government APTC expenditures for Idahoans purchasing health insurance coverage through YHI. Per CMS guidance, we have assumed for the purposes of the final pass-through calculation, the federal APTC expenditure savings are adjusted by a APTC / PTC reconciliation factor adjustment, reflecting the ratio between initial APTC amounts and final PTC amounts as calculated on tax returns. The 92.8% factor used in the below figures was developed based on calendar 2019 experience, specifically calendar 2019 tax data published by the Internal Revenue Service¹¹ and effectuated APTC data published by CMS¹². This percentage may materially change for the final pass-through calculation. Based on calendar year 2021 pass-through payments for existing Section 1332 waiver reinsurance programs, the adjustment factor varied from 89.7% to 98.2%.

Figure 33a (Baseline Subsidies) and Figure 33b (ARP Subsidies) provide a summary of estimated federal expenditure changes during the ten-year projection period. The change in federal APTC expenditures is dependent upon a number of factors but will be directly impacted by the total annual funding for the Pool (illustrated in Figure 3a and Figure 3b) established by the Board each year. All else equal, a larger annual Pool funding amount than assumed in Figure 3a and Figure 3b will increase federal APTC expenditure savings, while reducing the Pool's funding will result in a lower amount of federal APTC expenditure savings.

FIGURE 33A

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM – BASELINE SUBSIDIES

ESTIMATED FEDERAL GOVERNMENT EXPENDITURES CHANGES: 2023 THROUGH 2032 (IN MILLIONS)

REVENUE / (EXPENSE) ITEM	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Federal APTC Expenditures (Currently Enrolled)	(\$ 40)	(\$ 38)	(\$ 39)	(\$ 41)	(\$ 44)	(\$ 45)	(\$ 48)	(\$ 51)	(\$ 54)	(\$ 57)
APTC/PTC Reconciliation Factor	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%
Net Change in Federal Expenditures	(\$ 37.2)	(\$ 35.2)	(\$ 36.0)	(\$ 38.3)	(\$ 40.6)	(\$ 41.7)	(\$ 44.3)	(\$ 47.0)	(\$ 49.9)	(\$ 52.9)
Reinsurance Funding	\$ 58.5	\$ 54.9	\$ 55.9	\$ 59.2	\$ 62.8	\$ 64.3	\$ 68.2	\$ 72.3	\$ 76.6	\$ 81.2

Notes:

1. Dollar amounts are rounded to the nearest million.
2. Total values separately rounded.

¹¹ <https://www.irs.gov/pub/irs-soi/19in13id.xlsx>

¹² <https://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/Early-2020-2019-Effectuated-Enrollment-Report.pdf>

FIGURE 33B

IDAHO INDIVIDUAL HIGH RISK REINSURANCE POOL

REINSURANCE PROGRAM – ARP SUBSIDIES

ESTIMATED FEDERAL GOVERNMENT EXPENDITURES CHANGES: 2023 THROUGH 2032 (IN MILLIONS)

REVENUE / (EXPENSE) ITEM	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Federal APTC Expenditures (Currently Enrolled)	(\$ 45)	(\$ 43)	(\$ 44)	(\$ 46)	(\$ 49)	(\$ 50)	(\$ 52)	(\$ 55)	(\$ 58)	(\$ 62)
APTC/PTC Reconciliation Factor	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%	92.8%
Net Change in Federal Expenditures	(\$ 42.0)	(\$ 39.8)	(\$ 40.6)	(\$ 42.8)	(\$ 45.2)	(\$ 46.1)	(\$ 48.7)	(\$ 51.4)	(\$ 54.3)	(\$ 57.3)
Reinsurance Funding	\$ 63.5	\$ 59.9	\$ 60.9	\$ 64.2	\$ 67.8	\$ 69.3	\$ 73.2	\$ 77.3	\$ 81.6	\$ 86.2

Notes:

1. Dollar amounts are rounded to the nearest million.
2. Total values separately rounded.

Federal APTC Expenditures: The Pool is projected to reduce the premium rate for the second lowest cost Silver plan (subsidy benchmark plan), and therefore reduce the per capita APTC. Federal APTC reductions are larger under the ARP Subsidies scenarios because a greater number of Idahoans qualify for an APTC relative to the Baseline Subsidies scenario. Further detail on APTC savings is provided in Figure 29a and Figure 29b of the actuarial certification.

Exchange User Assessment: We have assumed YHI, Idaho's state-based insurance marketplace, will continue to operate during the ten-year projection period. Therefore, we do not estimate any change in federal expenditures as it relates to the Exchange User Assessment.

SECTION III. ASSUMPTIONS AND METHODOLOGY

1. Market Calibration

A key aspect of modeling healthcare reform proposals is establishing a status quo set of assumptions for the population being modeled. For the State of Idaho insurance markets, we developed estimates for the number of Idahoans insured through on- and off- exchange insurance markets (or uninsured) in 2022 by age, gender, household income, health status, metallic level (if applicable for the market), premium rates, and other factors to establish baseline assumptions for Idaho's population with respect to health insurance coverage. We developed our starting census and premium rate assumptions for each insurance market from a number of publicly available data sources, as well as proprietary information provided by the Idaho Department of Insurance (IDOI), and YHI. The assumptions in the model related to insurance take-up rates and market migration have been calibrated based on observed insurance market experience during calendar years 2021 through 2022. This calibration was based on publicly available data related to insurance marketplace enrollment, as well as proprietary data that we received from the IDOI and YHI, along with other sources we have gathered and developed.

Data from the IDOI included 2021 enrollment and premium information for individual market coverage by rating area as well as enrollment, premium, and claims data for on and off exchange markets by plan and metallic level as of December 2021. Proprietary data received from DHW included January and March 2022 marketplace enrollment by county, income, metallic level, and associated federal premium assistance. Public data sources used in our census and assumption calibration process include:

- Idaho Census Projections – To project statewide census changes by age and gender, we utilized population projections from 2019 through 2029 published by the Idaho Department of Labor.¹³ For years after 2029, we assumed annual population growth equal to estimated changes from 2028 to 2029.
- American Community Survey (ACS) data – Due to the large sample size, ACS data were used to provide estimated enrollment distributions by insurance coverage, age, gender, FPL, and marital status. Adjustments were made to the ACS data to reflect misalignments with non-group coverage relative to actual insurer data.
- Current Population Survey Annual Social and Economic Supplement (CPS ASEC) data – CPS data were used to supplement the model population developed with the use of the ACS data by providing additional information on individual market enrollment and health status.
- Medical Loss Ratio Reporting Form data (MLR) data – MLR data is required to be submitted by carriers offering fully-insured commercial products for the purpose of complying with federal MLR reporting requirements. Publicly available MLR information from 2020 was used to evaluate historical changes in the number of covered lives by insurance segment and market per capita premium. This source of information includes a more credible source of insured lives relative to population survey data for non-group markets.
- Marketplace Enrollment Reports – We utilized publicly available data provided by the United States Department of Health and Human Services (HHS) related to the 2022 open enrollment period.¹⁴

Based on actual insurance enrollment from insurer financial data and public programs, we estimated 2022 enrollment counts for each insurance market. The ACS demographic distributions were used to allocate enrollment in each market by age, gender, and income level. For the individual market, March 2022 APTC enrollment detail was also used to calibrate our model's baseline values. Updated individual market enrollment detail for 2022 may impact our baseline and with waiver estimates contained in this report.

¹³ See <http://mi.idaho.gov/population-projections> for more information.

¹⁴ See <https://www.cms.gov/research-statistics-data-systems/marketplace-products/2022-marketplace-open-enrollment-period-public-use-files> for more information.

2. Population Modeling

Based on the Idaho census projections, we estimated enrollment in the individual insurance market from 2022 through 2032 by assuming the distribution of insurance market enrollment by age, gender, and income level would remain constant relative to 2022. Changes in insurance market enrollment during the projection period are a result of changes in the estimated number of Idahoans by age and gender in the census projections.

We have assumed individual market enrollment and premium rates will be relatively stable during the projection period relative to the 2014 through 2018 coverage years, which experienced significant enrollment swings and premium rate changes. Our modeling assumes the economic environment in the baseline year continues during the projection period. An economic downturn during the projection period may materially alter health insurance coverage sources and premiums. For example, if unemployment rates increased, we would estimate a shift in health insurance coverage from employer-sponsored insurance to Medicaid, individual market coverage, or an increase in the number of uninsured individuals.

With the current COVID-19 PHE, individual market enrollment may be impacted by the pause in Medicaid redetermination that has occurred for more than 2 years. A detailed analysis of potential enrollment migration from Medicaid to other insurance markets after the PHE is ended was not included in scope of our analysis for this report.

In our projections, we have estimated immaterial changes in non-group coverage for the population eligible for APTC (other than if the enhanced premium subsidies offered under the ARP are not extended past calendar year 2022). As the structure of the APTC calculation caps a consumer's out-of-pocket premium, we have assumed immaterial enrollment changes (other than those driven by census projections), for the population eligible for APTC. This assumption is supported by the general stability in APTC enrollment from 2016 through 2022 (after normalizing for Medicaid expansion in calendar year 2020), despite significant premium rate fluctuations occurring in the market.

MORBIDITY LEVELS

For the uninsured and non-group markets, we divided enrollment into five risk levels, and assigned a morbidity factor to each risk level based on risk scores developed through the health status assigned from the ACS and CPS ASEC modeling.

INDIVIDUAL MARKET ENROLLMENT CHANGES

For the population not eligible for APTC (largely Idahoans with income above 400% FPL or who did not purchase a qualifying health plan through the state exchange), we have assumed an increase in market enrollment after 2022 due to the modeled phase-out of non-ACA compliant transitional plans, then steady enrollment increases associated with general population growth for the rest of the projection period, with or without the waiver.

For overall ACA-compliant individual market enrollment, we project gradual market enrollment increases from 2022 through the end of the ten-year projection period under each scenario:

- Without waiver and baseline subsidies: 79,000 (2022) to 85,000 (2032)
- With waiver and baseline subsidies: 79,000 (2022) to 87,000 (2032)
- Without waiver and ARP subsidies: 79,000 (2022) to 91,000 (2032)
- With waiver and ARP subsidies: 79,000 (2022) to 92,000 (2032)

3. Premium and Claims Expense Projections

Premium and claims expenses estimated in the non-group market are based on a combination of the following factors:

- Estimated healthcare inflation (assuming no change in benefit levels or insured demographics);
- Changes in population morbidity (as measured by the assigned morbidity factors to each risk quintile);
- Estimated changes in non-claims expenses (administrative costs, fees and taxes, and insurer margin); and,
- Changes in composite benefit level (the mix of coverage by metallic tier in the non-group market).

Health care inflation assumptions were based on premium rate projections published by the CMS Office of the Actuary.¹⁵ Population morbidity changes were developed based on the composite mix of morbidity scores for the population estimated to purchase non-group coverage in a given year.

For individuals estimated to enroll or maintain non-group coverage, a metallic tier plan is assigned based on the distribution of metallic plans selected for 2022 through YHI by income level. For example, based on YHI data, individuals qualifying for CSR payments between 100% and 250% FPL have a much greater likelihood of purchasing a Silver plan, relative to households at higher income levels.

Federal premium assistance was estimated based on premium rate changes for the second-lowest cost Silver plan available through YHI, projected household income by FPL, and the indexing of the premium tax credit expenditures. For each enrollee, a rating factor corresponding to the default federal age curve, which Idaho plans to continue using, was assigned.¹⁶

¹⁵ <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/Proj2018Tables.zip>, Table 17.

¹⁶ See <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Market-Reforms/Downloads/StateSpecAgeCrv053117.pdf>.

LIMITATIONS

Milliman has developed certain models to estimate the values included in this report. The intent of the models was to estimate pass-through funding for Idaho's reinsurance program for the individual health insurance market under a Section 1332 waiver. We have reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOP).

The models rely on data and information as input to the models. We have relied upon certain data and information provided by Idaho Individual High Risk Reinsurance Pool Board, Your Health Idaho, and publicly available data published by federal agencies for this purpose and accepted it without audit. To the extent that the data and information provided is not accurate, or is not complete, the values provided in this report may likewise be inaccurate or incomplete.

Milliman's data and information reliance includes:

- March 2022 Your Health Idaho census
- Aggregated carrier survey data from the Department of Insurance
- Economic and healthcare inflation assumptions published by federal agencies
- Insurance carrier statutory statement data downloaded via S&P Global Market Intelligence

If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete. Furthermore, actual revenues and expenditures of the reinsurance program can vary from projected amounts due to a multitude of reasons, including economic changes, regulatory or legislative changes, consumer behavior, carrier pricing assumptions, and population changes.

The results presented are based upon a set of assumptions,³ as described above. If actual results differ from the underlying assumptions, actual financial results may differ from those presented in this presentation.

There is heightened uncertainty concerning future insurance market enrollment due to the current COVID-19 public health emergency and its associated policies that may change materially for CY 2023.

We are members of the American Academy of Actuaries and meet the qualification standards to perform projections of this type.

This analysis has been prepared for the use of the Idaho Individual High Risk Reinsurance Pool Board and the Idaho Department of Insurance. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. Milliman recommends any third party recipient be aided by its own actuary or other qualified professional when reviewing the Milliman work product.

The consultants who worked on this assignment are health actuaries. Milliman's advice is not intended to be a substitute for qualified tax, legal, or accounting counsel. This information is being provided under the current contract between Milliman and the Idaho Individual High Risk Reinsurance Pool.

The terms of Milliman's Professional Services Agreement with the Idaho Individual High Risk Reinsurance Pool dated August 19, 2002 and the statement of work signed on April 20, 2022 apply to this report.

APPENDIX: ACTUARIAL CERTIFICATION

**Idaho Individual High Risk Reinsurance Pool
Section 1332 Waiver Application
Actuarial Certification**

I, Paul R. Houchens, am a Principal and Consulting Actuary with the firm of Milliman, Inc. I am a Member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. I meet the qualification standards established by the American Academy of Actuaries and have followed the standards of practice established by the Actuarial Standards Board. I have been employed by the State of Idaho to perform an actuarial analysis and certification regarding the state's operation of a Pool for the individual health insurance market under a Section 1332 State Relief and Empowerment Waiver. I am generally familiar with the federal requirements for Section 1332 waiver proposals, commercial health insurance rating rules, Medicaid eligibility, insurance exchanges, the Affordable Care Act's premium assistance structure, and other components of the Affordable Care Act relevant to this Section 1332 State Relief and Empowerment Waiver proposal.

As required under 45 CFR 155.1308 (f)(4)(i), this certification provides documentation that my actuarial analyses support the State of Idaho's finding that the 1332 waiver complies with the following requirements for Section 1332 waivers as defined under 45 CFR 155.1308 (f)(3)(iv)(a)-(c):

- The proposal will provide coverage to at least a comparable number of the state's residents as would be provided absent the waiver;
- the proposal will provide coverage and cost-sharing protections against excessive out-of-pocket spending that are at least as affordable for the state's residents as would be provided absent the waiver; and,
- the proposal will provide access to coverage that is at least as comprehensive for the state's residents as would be provided absent the waiver

The assumptions and methodology used in the development of the actuarial certification has been documented in my report provided to the State of Idaho. The actuarial certification provided with this report is for the period from January 1, 2023 through December 31, 2027. To the extent state or federal regulations are modified through the end of the waiver period, it may be necessary for this actuarial certification and corresponding analyses to be amended.

The actuarial analyses presented with this certification is based on a projection of future events. Actual experience may be expected to vary from the experience assumed in the analyses.

In developing the actuarial certification, I have relied upon data and information provided by the State of Idaho agencies, publicly available federal government data sets and reports, and statutory financial statement data downloaded through S&P Global Market Intelligence. I have relied upon these third parties for audit of the data. However, I did review the data for reasonableness and consistency.

*Electronic
Paul R. Houchens*

Paul R. Houchens, FSA
Member, American Academy of Actuaries

April 25, 2022

Date