

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

IN RE:)	
)	
EVALUATION OF PROJECTED)	ORDER PROVISIONALLY
PREMIUM IMPACT OF A POOLED)	IMPLEMENTING THE POOLED
INDIVIDUAL AND SMALL GROUP)	MARKET FOR 2023
HEALTH INSURANCE MARKET)	
)	
Docket No. INS 22-800)	
)	

Pursuant to 24-A M.R.S. § 2792 and Bureau of Insurance Rule 856, I have the responsibility to evaluate the expected impact of pooling the individual and small group markets and providing subsidized reinsurance to the pooled market through the Maine Guaranteed Access Reinsurance Association (MGARA). I have commissioned Gorman Actuarial, Inc., to conduct a study, and they submitted their Actuarial and Economic Report (“Gorman Report”) on January 26, 2022.

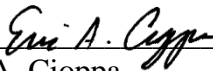
Pursuant to Rule 856, § 4(1), I held a forum on January 28, 2022, to review the Gorman Report and solicit public input on the expected impact of the pooled market and the reinsurance program, and suggestions for additional or alternate initiatives to improve the stability and affordability of the small group market. I provided an additional period for further public comment running through February 7, 2022. We received written comments from Anthem Health Plans of Maine and Harvard Pilgrim Health Care. While I recognize the concerns they have expressed, their comments do not change my conclusions as to the validity of the Gorman Report.

After reviewing the Gorman Report and the comments provided, I hereby find that the Gorman Report represents the best current estimate of the expected impact of the pooled market. In particular, pursuant to 24-A M.R.S. § 2792(5) and Rule 856, § 4(2), I project that pooling the market and reinsuring the pooled market through MGARA is expected to result in an average premium reduction in 2023 of approximately 8.0% for individuals and approximately 6.0% for small employers, compared to a baseline with separate risk pools and no MGARA reinsurance program. For 2024, the projected premium reductions are approximately 6.1% for individuals and approximately 3.9% for small employers.

Because I have found that pooling the market and providing subsidized reinsurance to the pooled market is expected to yield savings for both individuals and small employers in Maine, I hereby order, pursuant to Rule 856, § 2(A), the provisional implementation of the pooled market effective January 1, 2023. In addition, on February 10, as provided in Rule 856, § 3, I submitted a revised innovation waiver application today under Section 1332 of the federal Affordable Care Act to the United States Departments of the Treasury and Health and Human Services.

PER ORDER OF THE SUPERINTENDENT OF INSURANCE

February 15, 2022



Eric A. Cioppa
Superintendent