

# Minnesota Comprehensive Health Association

2023 Second Quarter Report  
Results for The Minnesota Premium Security Plan

September 1, 2023

Prepared by:  
**Wakely Consulting Group**

**Tyson Reed, FSA, MAAA**  
Senior Consulting Actuary

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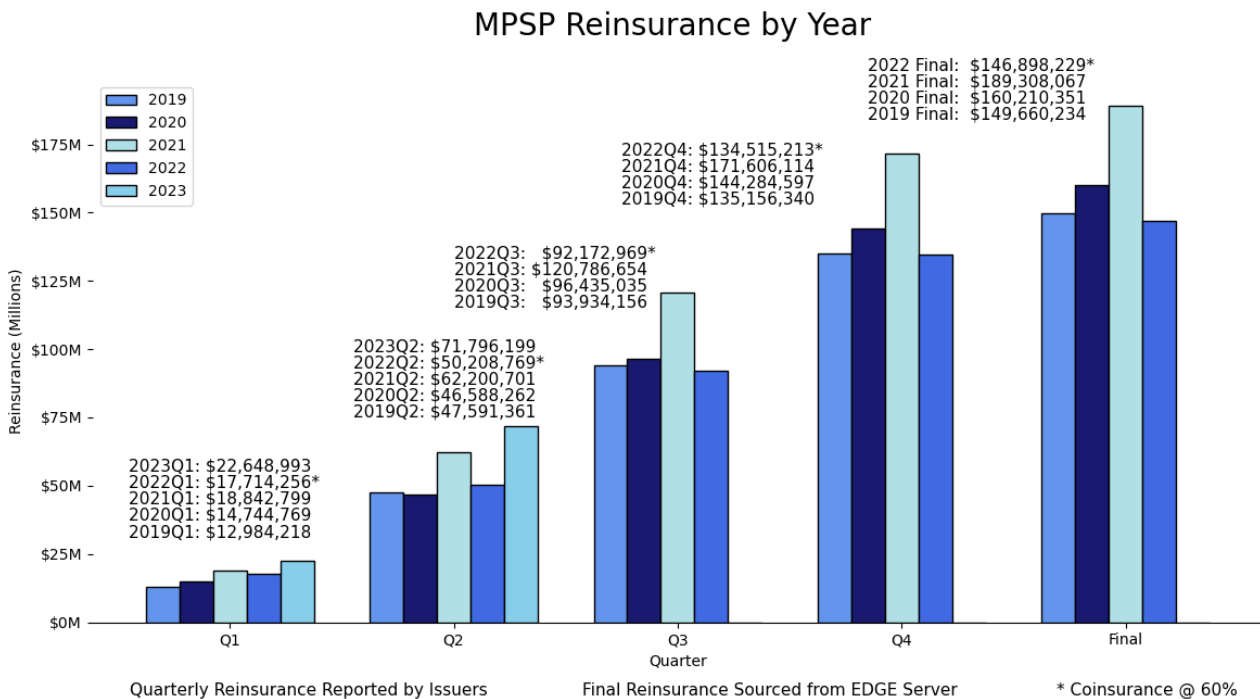
## Introduction

The Minnesota Comprehensive Health Association (MCHA) retained Wakely Consulting Group, LLC (Wakely) to collect data related to the Minnesota state-based reinsurance program (referred to as the Minnesota Premium Security Plan (MPSP)), review the data for reasonability, calculate the reinsurance payments to the carriers participating in the program, and provide summary reports for MCHA to distribute as appropriate to stakeholders. This report is not intended to project final year-end 2023 reinsurance amounts.

This document has been prepared for the use of MCHA and its Board of Directors. Wakely understands that this report will be made public and distributed to stakeholders beyond MCHA and its Board of Directors due to Minnesota Statutes §62E.24. Wakely does not intend to benefit third parties and assumes no duty or liability to other parties who receive this work. The report should be reviewed in its entirety. This document contains the data, assumptions, and methods used in these analyses and satisfies the Actuarial Standard of Practice (ASOP) 41 reporting requirements.

## Executive Summary

MPSP preliminary reinsurance amounts reported by issuers between January and June 2023 total approximately \$71.8 million for 1,565 distinct enrollees. The data underlying this analysis was provided by Minnesota carriers eligible for reinsurance under MPSP. The figure below shows the reinsurance included in the 2019 through 2023 quarterly reports.



The total year-to-date reinsurance amount in the 2023Q2 quarterly report is approximately 43.0% higher than the reinsurance in the 2022Q2 quarterly report. The year-over-year increase is caused by the change in the coinsurance parameter from 60% in 2022 to 80% in 2023.<sup>1</sup> Adjusting 2022Q2 to have 80% coinsurance, the 2022Q2 reinsurance amount would have equaled \$66,945,025 (= \$50,208,769

<sup>1</sup>See Article 15, Section 2 of HF 33

$\times \frac{80\%}{60\%}$ ) and the year-over-year change would have been an increase of 7.2% ( $= \frac{\$71,796,199}{\$66,945,025} - 1$ ). For additional information, please see the [Coinsurance Change](#) section on page 8 of this report.

The final 2023 reinsurance amounts and enrollee counts will increase significantly from the 2023Q2 values shown in this report. The final reinsurance will be calculated in compliance with Minnesota Statutes §62E.23 and will be based on an entire year of claim experience.

Table 1 provides enrollment and reinsurance information underlying the second quarterly reports between 2018 and 2023. The overall number of reinsurance eligible enrollees increased between 2022Q2 and 2023Q2 and the total reinsurance amount increased. The line labeled *Statewide 2022Q2 @ 80%* gives the reinsurance that would have been reported in 2022 if the coinsurance was 80% instead of 60%. In the table below, the percent change column is measured from the previous year except for the line labeled *Statewide 2023Q2* which is measured from the row labeled *2022Q2 @ 80%*.

**Table 1: Reinsurance Amounts and Enrollee Counts**

	Distinct RI Enrollees	RI Enrollee % Change	Reported Reinsurance	Reinsurance % Change
Statewide 2023Q2	1,565	4.8%	\$71,796,199	7.2%
<i>Statewide 2022Q2 @ 80%</i>	<i>1,494</i>	<i>4.5%</i>	<i>\$66,945,025</i>	<i>7.6%</i>
Statewide 2022Q2 @ 60%	1,494	4.5%	\$50,208,769	-19.3%
Statewide 2021Q2	1,429	25.5%	\$62,200,701	33.5%
Statewide 2020Q2	1,139	-0.5%	\$46,588,262	-2.1%
Statewide 2019Q2	1,145	5.2%	\$47,591,361	8.6%
Statewide 2018Q2	1,088	-	\$43,818,826	-

The remainder of this report provides a description of the methodology, additional breakout of reinsurance by region, metal level, and other various reporting variables, along with associated caveats and disclosures.

## Methodology

Carriers participating in Minnesota’s non-grandfathered individual commercial market provided Wakely

Claim Range <sup>[1]</sup>		Liability
↕	\$0	<b>Plan Pays: 100%</b>
↕	\$50,000	
↕	\$50,001	<b>Plan Pays: 20% MPSP Pays: 80%</b>
↕	\$250,000	
↕	\$250,001	<b>Plan Pays<sup>[2]</sup>: 100%</b>

[1] - Claim Range Excludes Member Cost Sharing

[2] - Excludes Impact of High-Cost Risk Pool

with January through June 2023 claim experience with paid dates through July 2023 in a template developed by Wakely. The template included both enrollment and claim experience at the carrier level. The template also included enrollee-level data for Minnesotans enrolled in the individual market that carriers identified with claims above the attachment point of \$50,000. Wakely then aggregated these templates and calculated reinsurance payments using the reinsurance parameters shown in the figure to the left. Wakely validated this amount against the carrier provided calculations.

The enrollee-level data supplied by carriers accounted for movement between HIOS plan identifiers. For example, under certain circumstances,

an enrollee might have been enrolled in both a silver and gold plan for a portion of the benefit year. This transferring does not impact results when reporting at a carrier level; however, when reporting at a more granular level (e.g. metal), reported results may change depending on the allocation method. For this report, Wakely allocated reinsurance estimates for enrollees transferring between cohorts based on incurred claims within that time period. For example if 75% of an enrollee’s claims occurred in a silver plan and 25% occurred in a gold plan, then 75% of the reinsurance for the individual was allocated to the silver plan and 25% to the gold plan.

## Analysis

This section provides additional detail for the reinsurance amount shown in Table 1. The distribution total in the following tables may not add to 100% due to rounding. The 2019 through 2022 final distributions are shown next to the 2023Q2 distribution for reference.

### Reinsurance by First Quarter in Report

The table below shows the enrollee count and estimated reinsurance by the quarter an enrollee first became eligible for reinsurance in 2023. For example, if an individual is in the 2023Q2 data template but not the 2023Q1 data template, then he or she is included in the 2023Q2 line. This table illustrates how much of the increase in reinsurance between quarterly reports is attributed to individuals first exceeding the attachment point and individuals that first appeared in prior quarters incurring additional claims.

**Table 2: Reinsurance Amount by Enrollee’s First 2023 Report**

Cohort	Enrollees	Reinsurance by Quarter		
		2023Q1	2023Q2	2023 YTD
2023Q1	604	\$22,648,993	\$20,363,720	<b>\$43,012,713</b>
2023Q2	961	n/a	\$28,783,486	<b>\$28,783,486</b>
<b>Total</b>	<b>1,565</b>	<b>\$22,648,993</b>	<b>\$49,147,206</b>	<b>\$71,796,199</b>

1. Reinsurance amounts increased by approximately \$49.1 million between the 2023Q1 and 2023Q2 reports. This is in comparison to the \$32.5 million increase between the 2022Q1 and 2022Q2 report. After adjusting for the coinsurance change, the increase between 2022Q1 and 2022Q2 was approximately \$43.3 million ( $= \$32.5 \times \frac{80\%}{60\%}$ ).
2. There were a total of 961 new reinsurance eligible enrollees in the 2023Q2 report with approximately \$28.8 million in reinsurance. In comparison, in 2022Q2 there were 871 new reinsurance eligible enrollees with \$18,525,070 in reinsurance before adjusting for the coinsurance change. After adjusting for the coinsurance change, the 2022Q2 amount would have been \$24,700,093 ( $= \$18,525,070 \times \frac{80\%}{60\%}$ ).

### Reinsurance by Area

The table in this section shows the amount of reinsurance for each of Minnesota’s nine rating regions. A list of counties in each rating area can be found on either the [Minnesota Department of Commerce](#) website or the [CMS](#) website.

**Table 3: Reinsurance Amount by Area**

Rate Region	2023Q2 Reinsurance	2023Q2 Dist'n	2022 Dist'n	2021 Dist'n	2020 Dist'n	2019 Dist'n
Rating Area 1	\$8,525,433	12%	10%	11%	11%	12%
Rating Area 2	\$2,808,777	4%	5%	6%	6%	6%
Rating Area 3	\$5,878,895	8%	6%	7%	7%	7%
Rating Area 4	\$2,442,716	3%	3%	3%	2%	3%
Rating Area 5	\$3,150,183	4%	5%	5%	4%	4%
Rating Area 6	\$2,195,028	3%	4%	4%	5%	4%
Rating Area 7	\$5,015,954	7%	8%	9%	7%	9%
Rating Area 8	\$40,876,862	57%	58%	56%	57%	54%
Rating Area 9	\$902,351	1%	1%	1%	1%	1%
<b>Statewide</b>	<b>\$71,796,199</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Reinsurance by Metal Level

The table in this section provides the reinsurance and distribution by metal tier. There are four different metal tiers in the Individual market which reflect different levels of cost sharing an enrollee is expected to pay. The leanest is the bronze plan where an enrollee can expect to pay for about 40% of his or her total medical costs out of pocket in the form of cost sharing such as deductibles, coinsurance, and copays. The richest plan type is the platinum tier where an enrollee can expect to pay approximately 10% of total costs out of pocket. There is a fifth tier called Catastrophic with enrollment limited to enrollees who are eligible for a hardship exemption or are under the age of 30.

Due to the cost sharing levels of the different metal types, the distribution may shift between metal levels as 2023 completes.

**Table 4: Reinsurance Amount by Metal Tier**

Metal Tier	2023Q2 Reinsurance	2023Q2 Dist'n	2022 Dist'n	2021 Dist'n	2020 Dist'n	2019 Dist'n
Catastrophic	\$1,418,178	2%	1%	0%	1%	0%
Bronze	\$28,838,785	40%	44%	48%	45%	44%
Silver	\$20,605,024	29%	28%	26%	29%	29%
Gold	\$20,560,098	29%	26%	25%	25%	26%
Platinum	\$374,114	1%	0%	0%	1%	1%
<b>Total</b>	<b>\$71,796,199</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Reinsurance by Exchange Status

This section provides the reinsurance based on whether the enrollee purchased coverage through Minnesota's Exchange, MNSure, or directly through the issuer.

**Table 5: Reinsurance Amount by Exchange Status**

Exchange Status	2023Q2 Reinsurance	2023Q2 Dist'n	2022 Dist'n	2021 Dist'n	2020 Dist'n	2019 Dist'n
On-Exchange	\$48,544,466	68%	69%	67%	69%	69%
Off-Exchange	\$23,251,733	32%	31%	33%	31%	31%
<b>Total</b>	<b>\$71,796,199</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Reinsurance by Plan Type

This section provides reinsurance amounts by plan type. In the Affordable Care Act, some individuals and families qualify for cost-sharing reduction subsidies (CSR) which lower out-of-pocket costs. There are several different levels of CSRs. The first is 73% which reduces the individual’s out-of-pocket cost to approximately 27% (= 1 - 73%) of total medical costs. There are CSR plans available at the 87% and 94% level as well. CSR plans are only available on the Exchange. Finally, there are limited cost-sharing and zero cost-sharing plans for American Indians and Alaska Natives.

**Table 6: Reinsurance Amount by Plan Type**

Plan Type	2023Q2 Reinsurance	2023Q2 Dist'n	2022 Dist'n	2021 Dist'n	2020 Dist'n	2019 Dist'n
Standard	\$66,594,161	93%	93%	92%	90%	90%
Zero CS	\$22,419	0%	0%	0%	0%	0%
Limited CS	\$498,264	1%	0%	0%	0%	0%
73% CSR	\$4,681,355	7%	7%	7%	9%	9%
94% CSR	\$0	0%	0%	1%	0%	0%
<b>Total</b>	<b>\$71,796,199</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Reinsurance by Claim Spend

Please see [Appendix A](#) for reinsurance by claim spend level.

## Distribution of HCC Count

Previous reports included a hierarchical condition category (HCC) distribution for reinsurance eligible enrollees. Since HCC identification is correlated with the length of time an individual is enrolled during the benefit year, using a partial year of experience may not accurately reflect the final HCC distribution. For example, an enrollee with twelve months of enrollment has more time to visit a physician compared to an enrollee with only six months of enrollment. The HCC distribution for 2023 benefit year reinsurance will be provided in future reports similar to previous reporting.

## Reinsurance by Product

[Appendix C](#) gives the amount of reinsurance and number of claimants that exceeded \$50,000 in claims by product and Exchange status. To define product, Wakely used the first ten digits of the HIOS plan identifier and requested that issuers provide a product name associated with the product identifier. For the column labeled *Claimants*, an enrollee may be double counted if he or she transferred between products during the experience period. As a result, the claimant count in [Appendix C](#) may not match the enrollee count in [Table 1](#). The column labeled *Claimants* shows "<100" for product and Exchange-status combinations with less than 100 claimants for protected health information (PHI) reasons. Multiple issuers updated the on- and off-Exchange mapping in the data they provided to Wakely between the 2019Q2 and 2019Q3 reports. As a result, the values shown in [Appendix C](#) for the 2023Q2 report are not directly comparable to the values in reports prior to 2019Q2.

## New Market Entrant

Starting January 1<sup>st</sup>, 2021, Quartz entered the individual market in five southeastern counties. [Appendix C](#) of this report includes Quartz; however, the 2018 through 2020 reports do not.

## 2023 Considerations

This section discusses changes occurring during 2022 and 2023 that impact reinsurance and trends.

1. **Coinsurance Parameter** - The coinsurance rate increased from 60% in 2022 to 80% in 2023. All else being equal, this increases the reinsurance payments by 33.3% ( $= \frac{80\%}{60\%} - 1$ ). Without the change, the reinsurance change between 2022Q2 to 2023Q2 would be an increase of approximately 7.2% ( $= \frac{\$71,796,199}{\$66,945,025} - 1$ ).
2. **Medicaid Redetermination** - Starting April 2023, Minnesota resumed the regular renewal process for Medicaid eligibility which had been suspended due to the public health emergency. Disenrollment from Medicaid began July 2023 and will take several months to complete. Some medicaid enrollees losing Medicaid eligibility may transfer to the individual market. The total annual impact of this transfer will be dampened in 2023 given that the transitioning enrollees will have less than 12 months of enrollment during benefit year 2023.

## Coinsurance Change

The total amount of reinsurance paid by MCHA depends on the coinsurance rate, and between 2022 and 2023, the coinsurance rate increased from 60% to 80%. All else being equal for an enrollee, this increased the total amount of reinsurance paid by approximately 33.3%. The table below provides an illustrative example of the increase for a hypothetical member with \$100,000 paid claims using an attachment point of \$50,000.

**Table 7: Coinsurance Change Example**

Coinsurance	Paid Claims	Formula	Reinsurance Amt
60% Coinsurance	\$100,000	$(\$100,000 - \$50,000) \times 60\%$	\$30,000
80% Coinsurance	\$100,000	$(\$100,000 - \$50,000) \times 80\%$	\$40,000

Note that the total number reinsurance eligible enrollees is not impacted by the coinsurance change because eligibility for reinsurance depends only on the attachment point. The next table restates Table 1 to be on a per reinsurance eligible enrollee format. The *Reported Reinsurance* column in this table equals the *Reported Reinsurance* in Table 1 divided by the *Distinct RI Enrollees* column. The percent change is measured from the previous year except for the row labeled *Statewide 2023Q2* which is measured from the line labeled *Statewide 2022Q2 @ 80%*.

**Table 8: Reinsurance Amounts per Enrollee and Enrollee Counts**

	Distinct RI Enrollees	RI Enrollee % Change	Reported Reinsurance	Reinsurance % Change
Statewide 2023Q2	1,565	4.8%	\$45,876	2.4%
<i>Statewide 2022Q2 @ 80%</i>	<i>1,494</i>	<i>4.5%</i>	<i>\$44,809</i>	<i>2.9%</i>
Statewide 2022Q2	1,494	4.5%	\$33,607	-22.8%
Statewide 2021Q2	1,429	25.5%	\$43,527	6.4%
Statewide 2020Q2	1,139	-0.5%	\$40,903	-1.6%
Statewide 2019Q2	1,145	5.2%	\$41,565	3.2%
Statewide 2018Q2	1,088	-	\$40,275	-

The reinsurance per eligible enrollee increased 36.5% between 2022Q2 and 2023Q2 from \$33,607 to \$45,876 which is not shown on the table. This is close, but does not equal the 33.3% stated above because there is a different mix of enrollees within the claim distribution. In particular, as a percent of total, there are more reinsurance eligible enrollees with claims above \$200,000 in 2023Q2 than there were in 2022Q2.



## Deductible Leveraging

In a reinsurance setting, trends for a reinsurer can be higher than the overall cost trend of the reinsured entity due to deductible leveraging. Deductible leveraging occurs when the underlying claim costs for the insurer increases at a rate higher than the increase in the deductible. In context of MPSP, the words attachment point and deductible are synonymous. The example below shows the calculation of liability for an insurance company that has an enrollee with \$55,000 in total claims using MPSP’s \$50,000 attachment point and 20% coinsurance. This example is for illustrative purposes only and does not represent an analysis of the impact of deductible leveraging for MPSP.

**Table 9: Deductible Leveraging Example**

Description	Amount	Formula	Payer
Deductible	\$50,000	$\min\{\$55,000, \$50,000\}$	Issuer
Coinsurance	\$1,000	$(\$55,000 - \$50,000) \times 20\%$	Issuer
Reinsurance	\$4,000	$(\$55,000 - \$50,000) \times 80\%$	Reinsurer

If the claim increases by 1% because of regular cost trends, then the cost of the claim is now \$55,550 ( $= \$55,000 \times 1.01$ ), but the cost to the reinsurer increases by approximately 11.0% ( $= \frac{\$4,440}{\$4,000} - 1$ ). This is shown in the next table.

**Table 10: Deductible Leveraging Example – Trended**

Description	Amount	Formula	Payer
Deductible	\$50,000	$\min\{\$55,550, \$50,000\}$	Issuer
Coinsurance	\$1,110	$(\$55,550 - \$50,000) \times 20\%$	Issuer
Reinsurance	\$4,440	$(\$55,550 - \$50,000) \times 80\%$	Reinsurer

The impact of deductible leveraging is minimally off-set by a reinsurance cap since the reinsurer is no longer liable for additional costs exceeding the reinsurance cap. Deductible leveraging can impact both the number of enrollees eligible for reinsurance and the average cost of reinsurance per reinsurance eligible enrollee. The overall deductible leveraging trend depends both on the proportion of claims for enrollees exceeding the attachment point and the total change in costs for enrollees exceeding the attachment point.

## Data Review

Wakely compared the portion of enrollees with claims above the attachment point underlying the carrier submitted templates against the claim continuance table located in the actuarial report in Minnesota’s 1332 Waiver. In the comparison, the actual portion of enrollees with claims above the attachment point was lower than the portion of enrollees with claims above the attachment point. This is likely caused by the underlying carrier data being based on a partial year of experience with limited claim runout. For example, the enrollee-level dataset excludes enrollees that will exceed the attachment point because of claims that are incurred between July and December 2022.

As part of this review, Wakely identified reported enrollees with incurred claims less than the \$50,000 attachment point. Wakely removed these enrollees from the enrollee count statistics. Excluding these enrollees did not change the total amount of reinsurance because their claims were below the attachment point.

## State Mandated Benefits

Wakely did not adjust the reinsurance calculation methodology for state mandated benefits at the direction of MCHA. Wakely's understanding is that issuers and Minnesota Department of Commerce (DoC) will make the appropriate adjustments when issuers submit data to DoC for reimbursement.

## Disclosures and Limitations

**Responsible Actuary.** I, Tyson Reed, am responsible for this communication. I am a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to issue this report.

**Intended Users.** This information has been prepared for the use of the management of MCHA. Wakely understands that the report will be made public and distributed to other stakeholders. Distribution to such parties should be made and evaluated in its entirety. The parties receiving this report should retain their own actuarial experts in interpreting results.

**Risks and Uncertainties.** The assumptions and resulting estimates included in this report and produced by the modeling are inherently uncertain. Users of the results should be qualified to use it and understand the results and the inherent uncertainty. Actual results may vary, potentially materially, from Wakely's estimates. Wakely does not warrant or guarantee that Minnesota carriers will attain the estimated values included in the report. It is the responsibility of those receiving this output to review the assumptions carefully and notify Wakely of any potential concerns.

**Conflict of Interest.** Wakely provides actuarial services to a variety of clients throughout the health industry. Wakely's clients include commercial, Medicare, and Medicaid health plans, the federal government and state governments, medical providers, and other entities that operate in the domestic and international health insurance markets. Wakely has implemented various internal practices to reduce or eliminate conflict of interest risk in serving Wakely's clients. I am financially independent and free from conflict concerning all matters related to performing the actuarial services underlying these analyses. In addition, Wakely is organizationally and financially independent of MCHA.

**Data and Reliance.** I have relied on others for data and assumptions used in the assignment. I have reviewed the data for reasonableness, but I have not performed any independent audit or otherwise verified the accuracy of the data / information. If the underlying information is incomplete or inaccurate, my estimates and calculations may be impacted, potentially significantly. The information included in the other sections identifies the key data and assumptions.

**Subsequent Events.** Material changes in state or federal laws regarding health benefit plans and other externalities such as the on-going COVID pandemic may have a material impact on the results included in this report. I am not aware of any additional subsequent events that would impact the results of this analysis.

**Contents of Actuarial Report.** This document constitutes the entirety of the actuarial report and supersedes any previous communications provided to MCHA for Benefit Year 2023.

**Deviations from ASOPs.** Wakely completed the analyses using sound actuarial practice. To the best of my knowledge, the report and methods used in the analyses are in compliance with the appropriate ASOPs with no known deviations. A summary of ASOP compliance is listed below:

- ASOP No. 1, Introductory Actuarial Standard of Practice
- ASOP No. 23, Data Quality
- ASOP No. 41, Actuarial Communication
- ASOP No. 56, Modeling

Signed,

A handwritten signature in black ink that reads "Tyson Reed". The signature is written in a cursive style with a large initial 'T' and 'R'.

Tyson Reed, FSA, MAAA  
Senior Consulting Actuary  
612.800.6545 | Tyson.Reed@wakely.com

## Appendix A - Reinsurance Amount by Claim Spend Level

### 2023Q2 Reinsurance Amount by Claim Spend Level

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	96	\$51,243	\$995	\$95,482
\$52,508	\$58,498	177	\$55,395	\$4,316	\$763,945
\$58,498	\$119,795	828	\$80,649	\$24,519	\$20,301,870
\$119,795	\$200,000	285	\$152,230	\$81,784	\$23,308,497
\$200,000	\$9,999,999	179	\$345,327	\$152,661	\$27,326,404
<b>Total</b>		<b>1,565</b>	<b>\$119,298</b>	<b>\$45,876</b>	<b>\$71,796,199</b>

Notes:

1. Average Reinsurance Per Enrollee =  $\min\{(\text{Average Incurred Claims} - \$50,000) \times 80\%, \$160,000\}$ .
2. The claim intervals originate from the 1332 Waiver Application.
3. This distribution is expected to change as 2023 completes.

## Appendix A (Cont.) - Reinsurance Amount by Claim Spend Level

### 2022 Final Reinsurance Amount by Claim Spend Level (60% Coinsurance)

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	208	\$51,236	\$741	\$154,216
\$52,508	\$58,498	417	\$55,510	\$3,306	\$1,378,641
\$58,498	\$119,795	2,030	\$81,153	\$18,692	\$37,944,165
\$119,795	\$200,000	697	\$151,927	\$61,156	\$42,625,681
\$200,000	\$9,999,999	567	\$371,412	\$114,278	\$64,795,526
<b>Total</b>		<b>3,919</b>	<b>\$131,418</b>	<b>\$37,484</b>	<b>\$146,898,229</b>

Notes:

1. Average Reinsurance Per Enrollee =  $\min\{(\text{Average Incurred Claims} - \$50,000) \times 60\%, \$120,000\}$ .
2. The claim intervals originate from the 1332 Waiver Application.

## Appendix A (Cont.) - Reinsurance Amount by Claim Spend Level

### 2021 Final Reinsurance Amount by Claim Spend Level

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	214	\$51,224	\$979	\$209,496
\$52,508	\$58,498	412	\$55,285	\$4,228	\$1,741,935
\$58,498	\$119,795	1,898	\$80,942	\$24,754	\$46,982,433
\$119,795	\$200,000	677	\$152,573	\$82,058	\$55,553,530
\$200,000	\$9,999,999	561	\$363,647	\$152,148	\$85,355,191
<b>Total</b>		<b>3,762</b>	<b>\$131,490</b>	<b>\$50,463</b>	<b>\$189,842,585</b>

### 2020 Final Reinsurance Amount by Claim Spend Level

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	155	\$51,198	\$958	\$148,534
\$52,508	\$58,498	354	\$55,457	\$4,365	\$1,545,383
\$58,498	\$119,795	1,761	\$80,824	\$24,659	\$43,424,822
\$119,795	\$200,000	557	\$153,704	\$82,963	\$46,210,511
\$200,000	\$9,999,999	452	\$349,424	\$152,392	\$68,881,102
<b>Total</b>		<b>3,279</b>	<b>\$126,091</b>	<b>\$48,860</b>	<b>\$160,210,351</b>

Notes:

1. Average Reinsurance Per Enrollee =  $\min\{(\text{Average Incurred Claims} - \$50,000) \times 80\%, \$160,000\}$ .
2. The claim intervals originate from the 1332 Waiver Application.

## Appendix A (Cont.) - Reinsurance Amount by Claim Spend Level

### 2019 Final Reinsurance Amount by Claim Spend Level

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	177	\$51,219	\$975	\$172,613
\$52,508	\$58,498	389	\$55,448	\$4,358	\$1,695,271
\$58,498	\$119,795	1,678	\$80,984	\$24,787	\$41,592,460
\$119,795	\$200,000	527	\$152,994	\$82,395	\$43,422,371
\$200,000	\$9,999,999	412	\$374,574	\$152,373	\$62,777,520
<b>Total</b>		<b>3,183</b>	<b>\$126,132</b>	<b>\$47,019</b>	<b>\$149,660,234</b>

### 2018 Final Reinsurance Amount by Claim Spend Level

Incurred Claims		Enrollee Count	Average Incurred Claims Per Enrollee	Average Reinsurance Per Enrollee	Aggregate Reinsurance
Low Range	High Range				
\$50,000	\$52,508	173	\$51,263	\$1,010	\$174,801
\$52,508	\$58,498	359	\$55,413	\$4,330	\$1,554,606
\$58,498	\$119,795	1,513	\$81,257	\$25,005	\$37,833,247
\$119,795	\$200,000	522	\$150,761	\$80,609	\$42,077,922
\$200,000	\$9,999,999	358	\$360,572	\$152,190	\$54,483,936
<b>Total</b>		<b>2,925</b>	<b>\$122,901</b>	<b>\$46,538</b>	<b>\$136,124,512</b>

Notes:

1. Average Reinsurance Per Enrollee =  $\min\{(\text{Average Incurred Claims} - \$50,000) \times 80\%, \$160,000\}$ .
2. The claim intervals originate from the 1332 Waiver Application.

## Appendix B - Enrollee Count by HCC

Limited to HCCs with at least 100 Enrollees

Rank	HCC	HCC Description	2023Q2		2022Q2	
			Enrollee Count <sup>1</sup>	% of Reinsurance Eligible Enrollees	Enrollee Count <sup>1</sup>	% of Reinsurance Eligible Enrollees
1	G01	Diabetes	381	24%	278	19%
2	HCC008	Metastatic Cancer	278	18%	286	19%
3	HCC130	Heart Failure	189	12%	176	12%
4	HCC142	Specified Heart Arrhythmias	176	11%	202	14%
5	G13	Respiratory Arrest; Cardio-Respiratory Failure and Shock, Including Respiratory Distress Syndromes	153	10%	147	10%
6	HCC002	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock	140	9%	155	10%
7	G08	Disorders of the Immune Mechanism	131	8%	108	7%
8	HCC023	Protein-Calorie Malnutrition	130	8%	142	10%
9	G02A	Mucopolysaccharidosis; Metabolic Disorders; Endocrine Disorders	120	8%	<100	-
10	HCC009	Lung, Brain, and Other Severe Cancers, Including Pediatric Acute Lymphoid Leukemia	116	7%	105	7%
11	HCC115	Myasthenia Gravis/Myoneural Disorders and Guillain-Barre Syndrome/Inflammatory and Toxic Neuropathy	112	7%	<100	-
12	HCC075	Coagulation Defects and Other Specified Hematological Disorders	111	7%	116	8%
13	G15A	Chronic Obstructive Pulmonary Disease, Including Bronchiectasis; Severe Asthma; Asthma, Except Severe	104	7%	<100	-
14	HCC012	Breast (Age 50+) and Prostate Cancer, Benign/Uncertain Brain Tumors, and Other Cancers and Tumors	103	7%	<100	-
15	HCC048	Inflammatory Bowel Disease	102	7%	<100	-
16	HCC156	Pulmonary Embolism and Deep Vein Thrombosis	101	6%	106	7%

1. An enrollee may have multiple HCCs and could be double counted if combining enrollee counts between HCCs.



## Appendix C - Estimated Reinsurance Amount and Claimants by Product

Carrier	Product ID	Product Name	Exchange Status	Claimants	Reinsurance
Blue Plus	57129MN014	Blue Plus Southeast MN	Off-Exchange	<100	\$712,142
Blue Plus	57129MN054	Blue Plus Minnesota Value HSA	On-Exchange	200	\$8,020,661
Blue Plus	57129MN053	Blue Plus Minnesota Value HSA	Off-Exchange	129	\$5,548,027
Blue Plus	57129MN015	Blue Plus Southeast MN	On-Exchange	<100	\$1,696,785
Blue Plus	57129MN008	Blue Plus Metro MN	Off-Exchange	<100	\$1,500,829
Blue Plus	57129MN009	Blue Plus Metro MN	On-Exchange	<100	\$1,322,138
HealthPartners	79888MN030	Individual Product 2 - NG	On-Exchange	157	\$6,384,604
HealthPartners	79888MN031	Individual Product 3 - NG	Off-Exchange	213	\$9,944,149
HealthPartners	79888MN032	Individual Product 4 - NG - Reformized	Off-Exchange	<100	\$184,521
HealthPartners	34102MN001	GHI On Exchange	On-Exchange	<100	\$160,548
HealthPartners	34102MN007	GHI AM Off Exchange	Off-Exchange	<100	\$149,172
Medica	31616MN042	Medica Applause	Off-Exchange	<100	\$2,352,200
Medica	31616MN042	Medica Applause	On-Exchange	<100	\$3,667,929
Medica	31616MN044	Engage by Medica	On-Exchange	<100	\$5,106,006
Medica	31616MN045	Altru Prime by Medica	On-Exchange	<100	\$208,600
Medica	31616MN044	Engage by Medica	Off-Exchange	<100	\$1,630,434
Medica	31616MN020	Medica Symphony	Off-Exchange	<100	\$128,885
Medica	31616MN043	North Memorial Acclaim by Medica	Off-Exchange	<100	\$75,619
Medica	31616MN043	North Memorial Acclaim by Medica	On-Exchange	<100	\$297,645
Medica	31616MN021	Medica Value	Off-Exchange	<100	\$223,147
Medica	31616MN019	Medica Encore	Off-Exchange	<100	\$20,242

1. Products with less than 100 claimants are labeled as < 100 due to protected health information (PHI) reasons.
2. The *Claimants* column counts enrollees that transfer between products more than once. As a result, the total claimants in this section may differ from the enrollee count shown in Table 1.

## Appendix C (Cont.) - Estimated Reinsurance Amount and Claimants by Product

Carrier	Product ID	Product Name	Exchange Status	Claimants <sup>2</sup>	Reinsurance
Medica	31616MN047	Bold by M Health Fairview and Medica	On-Exchange	<100	\$344,698
Medica	31616MN047	Bold by M Health Fairview and Medica	Off-Exchange	<100	\$44,745
Medica	31616MN045	Altru Prime by Medica	Off-Exchange	<100	\$2,054
Medica	31616MN049	Essentia Choice Care with Medica	Off-Exchange	<100	\$4,997
Medica	31616MN049	Essentia Choice Care with Medica	On-Exchange	<100	\$9,271
Medica	31616MN018	Medica Solo	Off-Exchange	<100	\$31,378
PreferredOne	88102MN021	Ultimate/Signature/Summit/Savers	Off-Exchange	<100	\$332,745
PreferredOne	88102MN001	PreferredHealth	Off-Exchange	<100	\$197,607
UCare	85736MN023	UCare Individual and Family Plans	On-Exchange	455	\$21,017,822
Quartz	70373MN004	Individual HMO	Off-Exchange	<100	\$168,841
Quartz	70373MN004	Individual HMO	On-Exchange	<100	\$307,757
<b>Total (All Carriers)</b>				<b>1,573</b>	<b>\$71,796,199</b>

Notes:

1. Products with less than 100 claimants are labeled as < 100 due to protected health information (PHI) reasons.
2. The *Claimants* column counts enrollees that transfer between products more than once. As a result, the total claimants in this section may differ from the enrollee count shown in Table 1.

# Appendix D - Minnesota Rating Regions

