



**Department  
of Health**

# **New York State Section 1332 Waiver**

**Annual Public Forum  
June 26, 2025 at 11AM Eastern Time**

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(Contraseña: 45737283)

# Today's Agenda

#	Topic	Presenter
1	Welcome and Instructions	Georgia Wohnsen
2	Overview of New York's 1332 Waiver	Danielle Holahan
3	1332 Waiver Implementation Updates	Sonia Sekhar
4	Impact of House Budget Reconciliation Bills	Danielle Holahan
5	Open for Public Comments	Georgia Wohnsen
6	Closing	Danielle Holahan

**The purpose of this public hearing is to share updates on New York's 1332 Waiver implementation**

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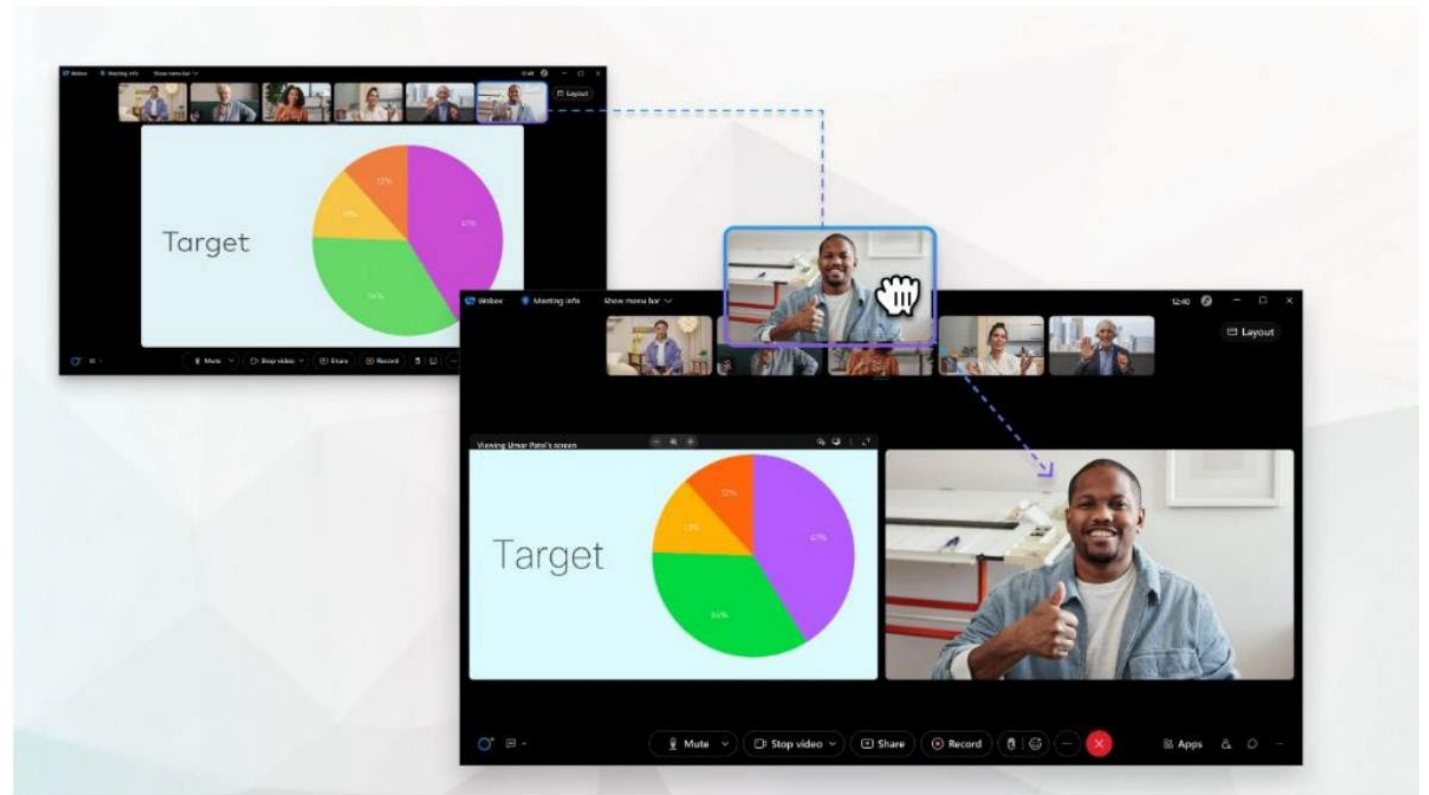
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# Instructions for Commenters

- For those that registered in advance and included “SPK” with their name, you are already on the speakers list.
- If you did not register and want to provide comment or ask a question, please enter your name into the chat throughout the presentation.
- After the presentation, the lines for speakers will be opened.



# Overview of New York's Section 1332 State Innovation Waiver

# About ACA Section 1332 Waivers

- Under Section 1332 of the Affordable Care Act (ACA), states may request to waive parts of the ACA for up to a five-year term to pursue innovative strategies for providing residents with access to high quality, affordable health insurance while retaining the basic protections of the ACA using a Section 1332 State Innovation Waiver.
- 1332 Waivers are approved by the U.S. Departments of Health & Human Services and Treasury.
- 1332 Waivers must comply with four statutory guardrails:
  - **Coverage:** Provide coverage to at least a comparable number of residents as absent the waiver.
  - **Comprehensiveness:** Provide coverage at least as comprehensive as absent the waiver.
  - **Affordability:** Be at least as affordable for consumers as absent the waiver.
  - **Deficit Neutrality:** Not increase the federal deficit.
- Federal premium tax savings from the waiver are redirected to the state as passthrough funding to support the 1332 waiver program.



# New York's Approved 1332 Waiver

- New York received approval for its original 1332 Waiver on March 1, 2024.
- New York received approval for its 1332 Waiver Amendment on September 25, 2024.
- On January 16, 2025, New York received approval for the waiver amendment to be in effect for a full five-year term from the implementation date of January 1, 2025 through December 31, 2029.
- The waiver as amended includes several key policies:
  - Transitioned federal authority for New York's Essential Plan from Section 1331 of the ACA (Basic Health Program) to Section 1332 of the ACA (State Innovation Waiver).
  - Expanded eligibility of the Essential Plan to consumers up to 250% of the FPL, including the Deferred Action for Childhood Arrival (DACA) recipients, and allows pregnant consumer to remain in the Essential Plan.
  - Introduced an Insurer Reimbursement Implementation Plan to prevent potential increases in individual market premiums due to the migration of consumers 200 – 250% of the FPL out of the risk pool.
  - Provides Cost Sharing Reduction Subsidies to Qualified Health Plan enrollees, based on income and for individuals with Diabetes or are pregnant/postpartum.

# Summary of New York's 1332 Waiver Journey

- Feb 2023** ▶ Released a draft 1332 Waiver application for public comment.
- May 2023** ▶ Held two public hearings and one Tribal Consultation and submitted initial waiver application to the U.S. Departments of Health & Human Services (HHS) and Treasury.
- Aug 2023** ▶ Submitted an application modification to offset cost of potential premium increases in the individual market under the waiver with a public comment period.
- Nov 2023** ▶ Released an updated draft application for public comment and held two public hearings.
- Dec 2023** ▶ Submitted a revised application to HHS & Treasury.
- Mar 2024** ▶ **Received approval for the 1332 Waiver application.**
- Apr 2024** ▶ Expanded Essential Plan eligibility to consumers 200 – 250% of the FPL took effect.
- May 2024** ▶ Released for public comment a draft 1332 Waiver amendment to use surplus federal funding on QHP cost sharing reductions.
- Jun 2024** ▶ Held two public hearings and submitted the waiver amendment to HHS & Treasury.
- Sept 2024** ▶ **Received approval for the 1332 Waiver Amendment.**
- Oct 2024** ▶ Notified consumers in QHPs of their eligibility for Cost Sharing Reductions for 2025 plan year.
- Nov 2024** ▶ Released for public comment a draft request to set the term of the waiver to align with amendment.
- Dec 2024** ▶ Held three public hearings and submitted request for approval to set the term of the approved Section 1332 State Innovation Waiver to align with the amendment.
- Jan 2025** ▶ **Received approval to set the terms of the 1332 Waiver through December 2029.** Cost Sharing Subsidies for QHP enrollees took effect.



# 1332 Waiver Implementation Updates

# Impact of 1332 Waiver

- New York's 1332 Waiver is in its second year of operations.
- Through March 2025, there were a total of 1,677,000 consumers enrolled in the Essential Plan including over 400,000 who are newly eligible through the waiver.
- Beginning January 1, 2025, NY began using pass through funding for three (3) Cost Sharing Reductions (CSR):
  - Individuals with incomes up to 400% of the FPL
  - Diabetes Services
  - Pregnancy and Postpartum Care
- Beginning summer 2025, we opened the Essential Plan Cooling Program to provide members with persistent asthma an Air Conditioner.

# Impact of 1332 Waiver

## Income-Related CSR.

- At the end of March 2025, there were:
  - 37,000 QHP enrollees in the 87% AV plan with incomes between 250– 350% of the FPL
  - 8,000 QHP enrollees in the 73% AV CSR plan with incomes between 350 –400% of the FPL
- Issuers are reimbursed every month for the value of these cost sharing reductions; payments will be reconciled in Q1 2026.

## Diabetes and Maternal Health CSR.

- New York will begin collecting utilization data for the diabetes and pregnancy-related CSRs in the Summer of 2025 to reconcile payments made to issuers on behalf of consumers.



# Impact of House Budget Reconciliation Bills

# Overview: House Budget Reconciliation Bill Impact on the Essential Plan

- The healthcare provisions passed out of the U.S. House of Representatives (House) will dramatically change the Essential Plan.
- Funding for the Essential Plan is calculated based on federal premium tax credits, which is used to reimburse providers for care.
- The House bill eliminates premium tax credit eligibility for almost half of current enrollees and cuts more than 50% of the program's funding.
- This would equate to a loss of over \$7.5 billion annually for the Essential Plan, and over 730,000 individuals would lose their federally-funded Essential Plan coverage.

## Key Takeaways: House Budget Reconciliation Bill Impact on the Essential Plan

- Given the younger and healthier demographics of the population that would lose coverage, these changes would have compounding effects on the average cost to serve members remaining in the Essential Plan, raising questions about the long-term viability and sustainability of the Essential Plan.
- Beyond the Essential Plan, these changes would have significant implications for the broader healthcare ecosystem in New York.
- We will continue to track these conversations closely to understand the impact on the Essential Plan.





# Open for Public Comments

# Instructions for Public Comment

1. Commenters will be **limited to five minutes.**
2. We will start with commenters who registered ahead of time.
3. We will then open the line to others who want give comment. Please enter your name in the chat if you want to give a comment or ask a question.

# Closing

# Written Public Comment

- You may also submit written comments on New York's request via email at [NYSOH.Team@health.ny.gov](mailto:NYSOH.Team@health.ny.gov) through **July 25, 2025**.
- Comments may also be sent through the mail at the address below. Mailed comment must be postmarked by **July 25, 2025**.

NY State of Health Attn:  
1332 Waiver  
Empire State Plaza  
Corning Tower Room 2580  
Albany, NY 12237