



**Department
of Health**

New York State Section 1332 Waiver Term Alignment Request

Public Hearing on December 4, 2024 at 11:30AM Eastern Time

Today's Agenda

#	Topic	Presenter
1	Hearing Logistics	Georgia Wohnsen
2	Overview of New York's 1332 Waiver	Danielle Holahan
3	Current Request	Sonia Sekhar
4	Open for Public Comments	Georgia Wohnsen
5	Closing	Danielle Holahan

This public hearing is intended to solicit comments on the requested change to set the term of the approved Section 1332 State Innovation Waiver to be in effect for a full five-year term from the implementation date of January 1, 2025 through December 31, 2029.

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. The original waiver was effective April 1, 2024 – December 31, 2028.
- New York received approval for its 1332 Waiver Amendment on September 25, 2024. The amended waiver is effective January 1, 2025 – December 31, 2028.
- 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.
- The waiver amendment application included detailed descriptions of all elements of the amended waiver, actuarial and economic analysis, and responses to comments received.

Impact of 1332 Waiver

- Consumers were notified in March 2024 of their EP 200 – 250 eligibility and auto re-enrolled into plans starting April 1, 2024.
- Over 270,000 consumers between 200 – 250% of the FPL were enrolled in EP coverage as of October 2024.
 - 78,000 individuals were seamlessly moved from Qualified Health Plan coverage to EP, with an average annual savings of \$6,100.
 - 192,000 individuals have enrolled in EP since April 1, 2024. This enrollment ramp up has occurred more quickly than originally anticipated.
- New York is on track to implement Cost Sharing Subsidies for Qualified Health Plan (QHP) enrollees effective January 1, 2025.

Cost-Sharing Reductions (CSRs) for QHP Enrollees

- The SFY25 Enacted Budget allows the Commissioner of Health to provide premium or cost sharing subsidies to improve affordability for consumers in the QHP market.
- New York submitted a waiver amendment on June 28, 2024 to use passthrough funding to limit out of pocket costs for consumers enrolled in QHPs.
- New York received approval on September 25, 2024 to use passthrough funding for three (3) Cost Sharing Reduction (CSR) beginning Jan 1, 2025:
 - Individuals with incomes up to 400% of the FPL
 - Diabetes Services
 - Pregnancy and Postpartum Care
- Nearly 118,000 consumers are estimated to benefit from these cost sharing subsidies, resulting in an annual savings of \$307 Million for consumers in 2025 and \$1.3 Billion from 2025 – 2028.

Current Request

Current Request

- New York requests approval to set the term of the approved Section 1332 State Innovation Waiver in alignment with the amendment approved on September 25, 2024 for coverage starting January 1, 2025.
 - Specifically, we are requesting 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.
- This waiver term request does not seek to waive additional provisions of the Affordable Care Act, change the approved waiver design, nor impact New York’s compliance with the 1332 waiver guardrails.
- The estimated impact of the waiver on individual market premiums and federal spend for 2029 was included in the Actuarial & Economic analysis provided in the amended application (see Appendix Table E6 below).

Updated Table E6. Baseline Without Waiver and Amended With-Waiver Annual Funding Estimates, PY 2024-2034

Scenario E	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Individual Market											
Without Waiver PTCs	\$1,096,127,678	\$1,164,471,071	\$999,461,412	\$1,061,856,027	\$1,128,146,783	\$1,198,577,021	\$1,273,405,279	\$1,352,906,247	\$1,437,371,775	\$1,527,111,943	\$1,622,456,201
With Waiver & CSRs PTCs	\$783,022,373	\$774,288,326	\$582,931,057	\$619,320,667	\$657,982,484	\$699,058,416	\$742,699,236	\$789,065,135	\$838,326,313	\$890,663,598	\$946,269,117
Difference	\$313,105,305	\$390,182,745	\$416,530,356	\$442,535,359	\$470,164,299	\$499,518,605	\$530,706,043	\$563,841,112	\$599,045,462	\$636,448,344	\$676,187,084
Essential Plan											
Without Waiver BHP Funding	\$11,756,762,973	\$12,444,846,543	\$12,604,114,297	\$13,476,116,145	\$14,409,279,829	\$15,401,969,008	\$16,463,046,880	\$17,597,224,901	\$18,809,539,114	\$20,105,372,505	\$21,490,478,906
With Waiver & CSRs BHP Funding	\$2,939,190,743	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Difference	\$8,817,572,230	\$12,444,846,543	\$12,604,114,297	\$13,476,116,145	\$14,409,279,829	\$15,401,969,008	\$16,463,046,880	\$17,597,224,901	\$18,809,539,114	\$20,105,372,505	\$21,490,478,906
Other Federal Spend/Savings											
Pregnancy Medicaid Total Enrollment	4,118	12,098	14,245	14,530	14,820	15,117	15,419	15,728	16,042	16,363	16,690
Pregnancy Medicaid Reduction	\$33,004,003	\$97,109,932	\$110,245,599	\$117,849,718	\$125,984,280	\$135,185,437	\$144,883,812	\$154,889,254	\$165,799,409	\$179,818,071	\$194,720,494
DACA Medicaid Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employer Penalty Loss	(\$2,592,000)	(\$2,598,818)	(\$2,615,230)	(\$2,641,383)	(\$2,667,797)	(\$2,694,475)	(\$2,721,419)	(\$2,748,633)	(\$2,776,120)	(\$2,803,881)	(\$2,831,920)
Combined Totals											
Without Waiver Federal Spend	\$12,883,302,654	\$13,703,828,727	\$13,711,206,078	\$14,653,180,507	\$15,660,743,096	\$16,733,036,992	\$17,878,614,551	\$19,102,271,769	\$20,409,934,178	\$21,809,498,638	\$23,304,823,682
With Waiver & CSRs Federal Spend	\$3,722,213,116	\$774,288,326	\$582,931,057	\$619,320,667	\$657,982,484	\$699,058,416	\$742,699,236	\$789,065,135	\$838,326,313	\$890,663,598	\$946,269,117
Total Federal Savings	\$9,161,089,538	\$12,929,540,402	\$13,128,275,021	\$14,033,859,839	\$15,002,760,612	\$16,033,978,576	\$17,135,915,315	\$18,313,206,633	\$19,571,607,865	\$20,918,835,040	\$22,358,554,564
Requested Pass-through	\$9,130,677,535	\$12,835,029,288	\$13,020,644,653	\$13,918,651,505	\$14,879,444,128	\$15,901,487,613	\$16,993,752,923	\$18,161,066,013	\$19,408,584,576	\$20,741,820,849	\$22,166,665,990
Net Federal Savings	\$30,412,003	\$94,511,113	\$107,630,369	\$115,208,335	\$123,316,484	\$132,490,963	\$142,162,392	\$152,140,620	\$163,023,289	\$177,014,190	\$191,888,574
Combined Totals											
	6-Year Total	11-Year Total									
Without Waiver Federal Spend	\$87,345,298,054	\$189,850,440,872									
With Waiver & CSRs Federal Spend	\$7,055,794,066	\$11,262,817,465									
Total Federal Savings	\$80,289,503,989	\$178,587,623,406									
Requested Pass-through	\$79,685,934,723	\$177,157,825,074									
Net Federal Savings	\$603,569,266	\$1,429,798,332									

Note: For 2024 due to the April 1 implementation date, there will still be 1 quarter of BHP funding compared to the other years of the Waiver.

Summary of New York's I 332 Waiver Journey

- Feb 2023** ▶ Released a draft I 332 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 I 332 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 I 332 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 I 332 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** ▶ Scheduled three public hearings and will submit request for approval to set the term of the approved Section I 332 State Innovation Waiver to align with the amendment.
- Jan 2025** ▶ Cost Sharing Subsidies for QHP enrollees will take effect.

Key Dates

Activity	Date
Post draft I 332 Waiver Term Alignment Request	November 27, 2024
Open public comment period	November 27, 2024
Hold Public Hearing #1 (Virtual Only)	December 2, 2024 @ 1PM
Hold Public Hearing #2 (Virtual Only)	December 3, 2024 @ 2:30PM
Hold Public Hearing #3 (Virtual Only)	December 4, 2024 @ 11:30 AM
Close public comment period	December 6, 2024
Submit Waiver Request to Federal Government	December 9, 2024

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 through **December 6, 2024**.
- Comments may also be sent through the mail at the address below. Mailed comment must be postmarked by **December 6, 2024**.

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

New York's request will be updated to include a summary of and responses to comments received.