



December 3, 2020

## **NY State’s Comments on the Basic Health Program; Federal Funding Methodology (“Proposed Methodology”) for Program Year 2022**

These comments are submitted without waiver of or prejudice to any of New York’s rights or claims to litigation.

The following comments apply to new proposals in the Proposed Methodology. Please refer to New York’s prior submissions for comments on the BHP Federal Funding Methodology that is currently in effect.

### **Premium Adjustment Factor (PAF)**

CMS proposes to apply the same PAF in 2022 as is currently in place for 2020. In addition, CMS requests comment on whether other data should be used to compute the PAF, and on whether recent court decisions regarding the Federal government’s obligation to pay Cost Sharing Reductions (CSR), or the possible future appropriation of CSRs by Congress should impact the PAF in the payment methodology.

#### NY State Comments

NY State supports maintaining the value of the PAF at 1.188 for program year 2022.

### **Metal Tier Selection Factor (MTSF)**

CMS proposes to apply a MTSF of 96.68 in 2022. CMS requests comment on whether other data, such as partial 2020 data, should instead be used to compute the MTSF, and on whether recent court decisions regarding the Federal government’s obligation to pay Cost Sharing Reductions (CSR), or the possible future appropriation of CSRs by Congress should impact the MTSF in the payment methodology.

#### NY State Comments

NY State supports maintaining the proposed computation of the MTSF in 2022. Using partial 2020 data to calculate the MTSF will likely not be a reasonable predictor of consumer behavior in 2022 due to the impact of COVID-19.

### **Reference Premiums (RP)**

CMS proposes to continue to allow states to choose between applying actual current year premiums or the prior year’s premiums multiplied by the premium trend factor (PTF). CMS requests comment on this proposal, and also requests comment on whether to instead use the program year premiums.

## NY State Comments

NY State supports the proposed approach of using state-specific premiums and giving states the choice of applying actual current year premiums or the prior year's premiums multiplied by the premium trend factor (PTF). Due to the annual timing of this decision, this choice allows the State flexibility in making a determination that it feels is consistent with program goals for the upcoming year.