

Chris Jacobs

From: Bohn, Kristi (COMM) <[REDACTED]>
Sent: Monday, October 30, 2017 2:31 PM
To: Chris Jacobs
Cc: Kelnberger, Emily (COMM); Andersen, Frederick (COMM); Watz, Donna (COMM)
Subject: RE: Public Records Request, DP file number is 1710-001.

Hi Chris,

No carrier requested or brought up a rate reaction for 2017 pricing due to this issue, and the departments did not issue guidance. It was not until the Spring of 2017 that carriers started discussing that the threat was a real possibility despite past precedence of paying CSRs, but that timing that was too late for 2017 premium pricing. As mentioned in the letter, there is a possibility that the departments may allow carriers to recover the approximate 0.1% impact for 2017 at a future date, but that decision would not occur until Spring 2018, and would affect the 2019 plan year premium pricing. In 2016, only 3.3% of individual market enrollees had a CSR and that subsidy was very small, since it was in over 99% of cases the 73% CSR plan variant. Minnesota's individual market had much larger issues to deal with at the time than the CSR case, which dramatically affects the state via the basic health plan, but is not very material to Minnesota's individual market. The 0.1% effect's materiality is basically within the scope of the carrier's margin for risk.

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From: Chris Jacobs <[REDACTED]>
Sent: Monday, October 30, 2017 1:07 PM
To: Bohn, Kristi (COMM)
Cc: Kelnberger, Emily (COMM) <[REDACTED]>; Andersen, Frederick (COMM) <[REDACTED]>; Watz, Donna (COMM) <[REDACTED]>
Subject: RE: Public Records Request, DP file number is 1710-001.

Thank you for this response. I just want to clarify that you do not have any records related to the 2017 plan year from last calendar year (i.e., last summer/fall, when rates for 2017 were being finalized). I ask because your letter says "there are no public records of us and carriers discussing a change to rates for the 2017 plan year, which was already in progress." That certainly applies to the recent decision by the Administration to stop making cost-sharing reduction