

Section 1332 of the Patient Protection and Affordable Care Act (PPACA)

State Innovation Waivers – Reinsurance Waiver Quarterly Report

Reporting Instructions: Use the following template to capture data for quarterly 1332 waiver grant reporting, as specified in 45 CFR 155.1324(a), and referenced in your grant specific terms and conditions (STC). Quarterly reports are due 60 days following the end of each calendar quarter.

STATE:

| A. GRANTEE INFORMATION | | | |
|--|--|--|--|
| 1. Reporting Period End Date June 30, 2021 | | 2. Report Due Date August 31, 2021 | |
| 3. 1st Quarterly Report <input type="radio"/> | 2nd Quarterly Report <input checked="" type="radio"/> | 3rd Quarterly Report <input type="radio"/> | 4. Federal Agency and Organization Element to Which Report is Submitted Consumer Information & Insurance Oversight (CCIIO) |
| 5. Federal Grant Number Assigned by Federal Agency SIWIW200014 | | 6a. DUNS Number 082406534 | 6b. EIN 81-0302402 |
| 7. Recipient Organization Name Montana State Auditor, Commissioner of Securities and Insurance | | | |
| Address Line 1 840 Helena Ave | | | |
| Address Line 2 | | | |
| Address Line 3 | | | |
| City Helena | State MT | | Zip Code 59601 |
| Zip Extension | | 8. Grant Period Start Date January 1, 2020 | |
| 9. Grant Period End Date December 31, 2024 | | | |
| 10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency) Montana Reinsurance Program Quarterly Operational Report as of 6/30/2021. | | | |

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| B. REPORT CERTIFICATION | | | | | | | | | | | | | |
|---|--|-----------|------|------|--------------------|----------|----------|---------------|-----|-----|-------------------|-----------|-----------|
| 11. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents. | | | | | | | | | | | | | |
| 11a. Typed or printed name and title of Authorized Certifying Official Mary Belcher, Deputy Auditor, Office of the Commissioner of Securities & Insurance | 11b. Signature of Authorized Certifying Official | | | | | | | | | | | | |
| 11c. Telephone (area code, number, and extension) (406) 444-3467 | 11d. E-mail address mary.belcher@mt.gov | | | | | | | | | | | | |
| 11e. Date report submitted (month/day/year) August 27, 2021 | | | | | | | | | | | | | |
| C. PROGRESS OF SECTION 1332 WAIVER - General | | | | | | | | | | | | | |
| 12. Provide an update on progress made in implementing and/or operating the approved 1332 waiver. | | | | | | | | | | | | | |
| (1) Post-Award Forum. The post-award forum was held on May 19, 2021, pursuant to public notice on April 16, 2021. Please see Section D - Post-Award Forum for more details. | | | | | | | | | | | | | |
| (2) Payment Parameters 2022. The Reinsurance Board of Directors updated the program payment parameters for 2022 at its Board meeting on May 7, 2021; see 2022 payment parameters below in contrast to 2021 payment parameters: | | | | | | | | | | | | | |
| Payment Parameters | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;"></th> <th style="width: 30%; text-align: center;">2021</th> <th style="width: 30%; text-align: center;">2022</th> </tr> </thead> <tbody> <tr> <td>• Attachment Point</td> <td style="text-align: center;">\$40,000</td> <td style="text-align: center;">\$40,000</td> </tr> <tr> <td>• Coinsurance</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td>• Reinsurance Cap</td> <td style="text-align: center;">\$101,750</td> <td style="text-align: center;">\$106,100</td> </tr> </tbody> </table> | | 2021 | 2022 | • Attachment Point | \$40,000 | \$40,000 | • Coinsurance | 60% | 60% | • Reinsurance Cap | \$101,750 | \$106,100 |
| | 2021 | 2022 | | | | | | | | | | | |
| • Attachment Point | \$40,000 | \$40,000 | | | | | | | | | | | |
| • Coinsurance | 60% | 60% | | | | | | | | | | | |
| • Reinsurance Cap | \$101,750 | \$106,100 | | | | | | | | | | | |
| (3) Operational Expenses. Since January 2021 the reinsurance program has only incurred operational expenses. All expenses have been paid from draws on the federal grant. Please see the attached operational report dated 6/30/2021 for more details. | | | | | | | | | | | | | |
| (4) Final Reinsurance Waiver Annual Report. On March 31, 2021, the Commissioner of Securities and Insurance (CSI) submitted the Reinsurance Waiver Annual Report to CMS/CCIIO for their review and | | | | | | | | | | | | | |

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comment. On April 2, 2021, the CSI posted the annual report on the reinsurance website.

(5) Annual Report on Operations & Finance. As required by § 33-22-1308(5), MCA, on June 30, 2021, the Reinsurance Board submitted its annual report on operations & finance to the CSI and the Montana Legislative Affairs Interim Committee.

(6) Claims Submission & Reimbursement: The Montana Reinsurance Program is in its second year of operation, with 2021 being the first year in which eligible claims in 2020 will be submitted by carriers for reimbursement by December 31, 2021. The program is functioning according to plan.

13. Describe any implementation and/or operational challenges, including plans for and results of associated corrective actions. After the first quarter, only report on changes and/or updates, as appropriate.

The Montana Reinsurance Association has not faced any implementation or operational challenges.

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| D. POST-AWARD FORUM <i>(for Quarter Post-Award Forum was held)</i> |
| 14. Was the date, time, and location of the Post-Award Forum advertised 30 days in advance? <input checked="checked" type="radio"/> Yes <input type="radio"/> No |
| 15. State website address where Post-Award Forum was advertised reinsurance.mt.gov - posted on April 16, 2021 |
| 16. Date Post-Award Forum took place May 19, 2021 10:00 am MT |
| 17. Summary of Post-Award Forum, held in accordance with §155.1320(c), including all public comments received and actions taken in response to concerns or comments. Meeting was called to order by Richard Miltenberger, Chairman of the MRA Board of Directors at 10:05 am. In attendance: Richard Miltenberger, Chairman of the MRA Board of Directors Mary Belcher, CSI Jackie Jones, CSI Diane Kopecky, River 9 No public comments were received. |
| 18. Other Attachments (attach other documents as needed pertaining to Post-Award Form) |