Section 1332 of the Patient Protection and Affordable Care Act (ACA) State Innovation Waivers – Pass-through Funding Report – FFE/SBE-FP States

Reporting Instructions: Please capture data for the 1332 waiver grant yearly pass-through funding report in this template, which has been developed based on your specific terms and conditions and in accordance with ACA section 1332(a)(3). For Plan Year 2027 pass-through funding reports are due no later than October 15, 2026, in order to inform pass-through funding calculations, but we encourage submission earlier than that date if possible. The pass-through funding amount will be reported to the state as soon as practicable, conditional on timely receipt of this report.

STATE: Montana

A. GRANTEE INFORMATION			
1. Reporting Period End Date 12/31/2027	**2. Report Due Date** 10/16/2026	**3. Date Submitted** 10/16/2026	
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. UEI Number** 082406534	**6b. EIN** 81-0302402
7. Recipient Organization Name Montana State Auditor, Commissioner of Securities and Insurance (CSI)			
Address Line 1 840 Helena Avenue			
Address Line 2			
Address Line 3			
City Helena	**State** Montana	**Zip Code** 59601	**Zip Extension**
8. Grant Period Start Date January 1, 2020		**9. Grant Period End Date** December 31, 2029	

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10. Other Attachments (attach other documents as needed or as instructed by the awarding Federal agency)

Montana 2027 Pass Through Report Data 2026.10.15

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B. PASS-THROUGH FUNDING DATA

11a. Under section 1332(a)(3) and STC 15, metrics to assist the Departments in calculating pass-through funding for the effective plan year (PY).

	Value	Comments (if applicable)
i. The final 2027 second lowest cost silver plan (SLCSP) rates[1] for individual health insurance coverage for a representative individual (e.g., a 21-year-old non-smoker) in each rating area or service area (if premiums vary by geographies small than rating areas). 1. The Essential Health Benefit (EHB) % of premium is incorporated into the SLCSP determinations. The SLCSP should be determined only based on the portion of the premium that reflects EHB.	[To be completed *after* item 11a.ii. Please review the data CMS has provided, as instructed in the State Premium Data spreadsheet.]	Please see accompanying report for methodological details.
ii. Estimates of what the final 2027 SLCSP rates for individual health insurance coverage for a representative individual in each rating area or service area (if premiums vary by geographies smaller than rating areas) would have been without the waiver.	[Please provide all without-waiver silver plan rates, as instructed in the Silver Rates spreadsheet.]	Please see accompanying report for methodological details.
iii. The 2026 SLCSP rates for a representative individual in each rating area or service area (if premiums vary by geographies smaller than rating areas). Note that the rating or service area data for 2026 and 2027 need to be the same, so please use the 2026 service areas for both years of data.	[To be completed *after* item 11a.ii. Please review the data CMS has provided, as instructed in the State Premium Data spreadsheet.]	Please see accompanying report for methodological details.
iv. The total amount of all premiums expected to be paid for individual health insurance coverage for PY 2027.	$695,700,058	Please see accompanying report for methodological details.

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v. Estimate of what total premiums would have been for individual health insurance coverage for PY 2027 without the waiver.	$735,668,238	Please see accompanying report for methodological details.
vi. The state-specific age curve premium variation for the current and upcoming plan year for the individual market.	[Please indicate in the spreadsheet if the state uses the federal or a state-specific version. If applicable, provide the state-specific age curve.]	[Please complete as part of the spreadsheet.]
vii. Estimate of total reinsurance reimbursements for PY 2027.	$43.50 million	Please see accompanying report for methodological details.
viii. Estimate of total 2027 enrollment for individual health insurance coverage with the waiver.	64,192	Please see accompanying report for methodological details.
ix. Estimate of what total 2027 enrollment for individual health insurance coverage would be without the waiver.	63,726	Please see accompanying report for methodological details.

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11b. Under section 1332(a)(3), a narrative to explain the methodology used to estimate data to assist the Departments in calculating pass-through funding for the subsequent year.	
i. For the estimate of what the final SLCSP rates for a representative individual in each rating area or service area would have been in 2027 without the waiver, provide a narrative that includes information on the methods and assumptions used to estimate this data.	Please see the accompanying methodological document for full details. Rates with the waiver were taken from the carrier reported URRT and rate table values, and a SLCSP was identified for each county based on these rates.

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ii. For the estimate of what total premiums would have been for PY 2027 without the waiver, provide a narrative that includes information on the methods and assumptions used to estimate this data.	Please see the accompanying methodological document for full details. Rates without the waiver were taken from the carrier reported URRT and rate table values.

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iii. An explanation on why the experience for PY 2027 may vary from previous estimates and how assumptions used to estimate the impact have changed. This includes an explanation for changes in the estimated impact of the waiver on aggregate premiums, the estimated impact to the SLCSP rates, and the estimated impact on enrollment. The state should also explain changes to the estimated reinsurance estimates relative to prior estimates.	Please see the accompanying methodological report for full details. Premiums and enrollment varied from previous estimates in that they include a) actual 2026 experience through July, b) 2027 rate filing information, and c) more up to date information on which regulatory provisions are expected to go into effect and their potential impacts in 2027. Each of these data points are updates from prior estimates. The estimated impact of the waiver on aggregate premiums and SLCSP are calculated from final 2027 carrier rates, whereas spring estimates were based on Wakely modeling. Wakely relies fully on issuer reported premiums to estimate the impact of the waiver components on premiums and SLCSP rates.

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12. Please describe below any new state programs or legislation that could impact the without-waiver PTC baseline (e.g., state subsidies, enrollment programs). Please also describe if the state made changes to its projected pass-through funding or state share for the program, parameters, premium reduction, or size of the reinsurance program in light of changes in federal law or policy.

At the time of this report, there is uncertainty regarding the implementation status of several of the policy provisions of the 2026 Marketplace Program Integrity Rule and the 2027 Payment Notice Final Rule following several court rulings including City of Columbus et al. v. Kennedy et al. ("Columbus I") and City of Columbus et al. v. Kennedy et al. ("Columbus II"). Therefore, potential impact of these provisions on the overall market enrollment and risk pool morbidity is also unknown. For the purpose of this report, Wakely assumed the current legal status, including the impact of lawsuits, and therefore assumed that the challenged provisions of the rule do not go into effect in 2027. The methodology and impact of these changes are outlined in the report. It is our understanding that the issuer filed rates are reflective of the same assumptions.

An updated analysis of the pass-through payments was completed using final 2027 rates, updated policy environment, and updated enrollment projections using more recent 2026 enrollment. The updated analysis suggests a higher level of the pass-through funding to cover a higher number of enrollees compared to analysis conducted in the Spring.

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