Update on the Section 1332 Innovation Waivers

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CONTENTS

BACKGROUND

Section 1332 of the Patient Protection and Affordable Care Act (ACA) allows states to seek State Innovation Waivers of certain ACA provisions beginning in 2017.

ACA Sections that may be Waived under Section 1332

Subtitle D, Part I	Sections 1301-1304: Qualified Health Plan (QHP) and Essential Health Benefits requirements; Requirements for QHP carriers; Special rules related to abortion services; Insurance-related definitions
Subtitle D, Part II	Sections 1311-1313: Exchange requirements
Subtitle E, Part 1	Section 1402: Cost-sharing reductions
Internal Revenue Code of 1986	Sections 36B, 4980H and 5000A: Premium tax credits; Individual coverage requirement; Large employer coverage requirement

In order to receive a Section 1332 Waiver, states must apply in accordance with the process set forth in 45 CFR 155.1300 through 155.1328 and 31 CFR 33.100 through 33.128, which may be done jointly with Section 1115 Medicaid Waivers. In the waiver application, the state must demonstrate that the waiver meets comparability requirements:

- It will provide coverage to at least a comparable number of the state's residents as would be provided without the waiver;
- It will provide coverage and cost-sharing protections that are at least as affordable as would be provided without the waiver;
- It will provide for coverage that is at least as comprehensive as would be provided without the waiver; and
- It will not increase the federal deficit.

States are increasingly looking to Section 1332 Waivers as a way to expand upon or customize the ACA to best address the unique circumstances within the state. As outlined below, a number of states have either submitted Section 1332 Waiver requests or have taken formal steps to begin the process of designing a Section 1332 Waiver. The new administration reminded states of the opportunities under Section 1332 in a letter sent to Governors in March[1] and a Section 1332 Waiver checklist that the Centers for Medicare and Medicaid Services subsequently released in May.[2] These communications highlighted the ability to use Section 1332 Waivers to further address access, affordability, choice and stabilizing the health insurance pools, and specifically noted the reinsurance focus of the waiver submitted by Alaska, as outlined below. The checklist highlighted the requirements to obtain a 1332 waiver - and data that must be submitted - both generally and specific to a waiver to support a reinsurance program.

As you will see below, the waivers that are being considered in states and may be of value to other states are very much state-specific and directly tied to: the existing context in the state; the needs of the state; and what flexibility may benefit the state. Therefore, understanding challenges currently affecting the health care system in the state and what sections can be waived is a crucial first step in considering whether and how to leverage Section 1332 Waiver authority. However, below is an overview of waivers being pursued or considered in states

[1] https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/March-13-2017-letter_508.pdf
[2] https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/Checklist-for-Section-1332-State-Innovation-Waiver-Applications-5517-cpdf.pdf

and examples of other ways in which Section 1332 Waiver authority could be leveraged in an effort to demonstrate what sort of flexibility may be possible.

OVERVIEW OF STATE SECTION 1332 WAIVERS[3]

Iowa (new as of July 2017)

Seeking to implement an individual market "stopgap measure"

On June 12, 2017, Iowa submitted an abbreviated, emergency, and short-term request for permission to implement a "Proposed Stopgap Measure" (PSM) Plan.[4]

Iowa's request is aimed at "preventing collapse" of its individual health insurance market. Insurers in the state's individual market initially underestimated necessary premiums to support the market. Resulting losses led to a significant spike in premiums (70 to 100 percent over three years), which, in turn, resulted in declining enrollment, a higher risk profile for the market, and issuer withdrawals. The state expressed concern that, without a waiver, there will be no carriers on the state's individual Marketplace in the vast majority of the state for 2018, leaving nearly 70,000 individuals in the state without an option for coverage.

Specifically, the state seeks one-year authority[5] to implement the PSM Plan, effective immediately, which would include:

- **A reinsurance program** – The state proposes to supplement its existing traditional (attachment point) reinsurance program, which would reimburse carriers for 25 percent of claims between $100,000 and $3,000,000 and 40 percent above that amount. To participate, carriers would be required to implement care management protocols. The state estimates the cost of this program to be $80 million.
- **A state-based premium subsidy mechanism –** In place of federal premium subsidies, the state proposes to provide state-based premium subsidies for all individuals who purchase the standardized plan outlined below. The subsidies would be flat dollar amounts based solely on age and income and paid directly to the carrier. It does not appear that the state would provide any cost-sharing subsidies. The state estimates that subsidies would total $220 million.
- **A state-based standard health benefits plan** – As a condition of receiving reinsurance funding, the state would require each carrier to offer the standard Iowa PSM plan. The state would create a standardized plan that has a Silver level actuarial value (68 to 72 percent) and would include the Essential Health Benefits and state mandated benefits. These plans would be available on would guaranteed-issue basis via Open Enrollment and would not have annual of lifetime limits. These will be the only plans available in the individual market in 2018 other than grandfathered and transitional plans. Individuals who do not purchase the plan during Open Enrollment would be required to show proof of 12 months of continuous coverage to qualify for a Special Enrollment Period in circumstances other than birth or adoption.

In order to implement the PSM, the state is seeking the following waivers:

- Section 5000A of the Internal Revenue Code (individual coverage requirement);
- Section 36B of the Internal Revenue Code (premium tax credits);
- Section 1402 of the Affordable Care Act (cost-sharing reductions); and
- Section 1302 of the Affordable Care Act (metallic coverage level requirements).

[3] See Table 1 at the end of the paper for a detailed list of each state's specific waiver requests.
[4] https://iid.iowa.gov/sites/default/files/state_of_iowa_proposed_stopgap_measure_6.12.2017.pdf
[5] The state also seeks the option for a 1-year renewal.

Iowa is also requesting pass-through funding from the waived premium tax credits and cost-sharing reductions (estimated to total $352 million jointly for 2018), to be used to fund the state-based premium subsidies and reinsurance program.

In making its request, the state acknowledged that its application does not meet all of the content or process requirements required for Section 1332 Waivers. For example, the state did not undertake a public input or tribal consultation process prior to submission, nor did it outline comparability or other required analyses as part of its request. The state has also not enacted specific authorizing legislation. The state requested that those requirements be waived or that emergency regulatory relief otherwise be granted given the short-term and urgent nature of its request and based on the President's Executive Order Minimizing the Economic Burden of the Patient Protection and Affordable Care Act Pending Repeal.

Alaska (updated July 2017)

Seeking support for the state reinsurance program

Alaska received approval of its Section 1332 Waiver application[6] on July 7, 2017, which enables the state to receive federal funding to support the state-based Alaska Reinsurance Program (ARP) starting in 2018. A five-year waiver was granted.

In response to projections that premiums in the state's individual health insurance market were projected to increase 42 percent for 2017, the state created the ARP, which pays claims for individuals with high-cost conditions, removing those claims from the insurance risk pool. State funds were appropriated to fund the program only for 2017. As a result of the program, rates increased an average of only 7.3 percent.

The federal approval grants the state's request to waive the single risk pool requirement under Section 1312(c)(1) to the extent necessary to enable insurers to include state reinsurance payments when establishing premium rates. Related to that waiver, the state will receive federal pass-through funding from the savings the federal government accrues in premium tax credits because the reinsurance program has prevented what was projected to be a significant rise in premiums.[7] In addition, enrollment in individual market health insurance in the state is projected to increase generally, with more healthy individuals entering the market – this is also projected to result in premium savings. The state projects premiums to actually decrease up to four percent for 2018, saving the federal government $51.6 million in premium tax credits.[8] The actual pass-through funding amounts will be determined on an annual basis and will be reduced to account for losses in shared responsibility payments and reductions in Exchange fees. The state will receive payments quarterly in advance of reinsurance payments to issuers. Funding can be used to pay claims and for administrative expenses.

Alaska had also requested to waive the opportunity to establish CO-OP health plans in the state, but that waiver was not granted.

The state met all comparability requirements because coverage rates are projected to increase while premiums decrease with cost sharing and benefits staying the same. The federal funding will come from savings to the federal government, with the state funding any delta between that funding and the cost of the program.

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[6] https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/Alaska-Application-with-Attachments-51117.pdf

[7] Those individuals that are eligible for tax credits have their required premium contribution limited to a set percentage of their annual income, with the tax credits paying what remains of the premium for the second lowest-cost Silver plan. Therefore, tax credits are calculated based on – and directly impacted by – the cost of premiums.

[8] While the application did not request expected savings from cost-sharing reductions, to the extent the reinsurance pays for a portion of claims, cost-sharing reductions would not be needed for those services, also reducing that federal expenditure.

Minnesota (updated July 2017)

Seeking support for the state reinsurance program

On May 30, 2017, Minnesota submitted a Section 1332 Waiver application.[9] Following in the footsteps of Alaska's waiver application, Minnesota is proposing to seek federal funding to support a state-based reinsurance program via a five-year waiver. The federal government made a preliminary determination on June 20th that the state's waiver application is complete, starting the clock on review and approval.

The state is seeking to stabilize the state's individual market, which saw significant rate increases in 2017 following the withdrawal of its largest insurer. The risk profile of the market has also declined. In response, the state established a state-based reinsurance program, known as the Minnesota Premium Security Plan (MPSP), in April 2017 in order to: stabilize premiums; encourage greater insurer participation and individual enrollment; eliminate unintended consequences of the state's Basic Health Plan and the federal premium tax credits; and create a fiscally sustainable program. The MPSP is modeled after the federal reinsurance program that was in effect from 2014 through 2016 and reimburses for 80% of individual market claims between $50,000 and $250,000. Participation in the program is invisible to individuals and required of insurers participating in the non-grandfathered individual market. As required for waiver approval,[10] the state's authorizing legislation makes implementation of the MPSP contingent on the waiver being granted.

The state estimates that the MPSP will result in a reduction of premiums in the individual market by an average of over 20 percent (approximately $125 to $175 per member per month) and will maintain and increase enrollment of healthy residents (bringing into the market 20,000 more healthy individuals than are currently enrolled and 50,000 more than would ultimately be enrolled without the program).

As a result, the state projects that the federal government will save money that it would have otherwise spent on both premium tax credits (estimated to be $138 to $167 million lower in 2018 than without the MPSP) and to support the state's Basic Health Plan (known as MinnesotaCare). The federal contribution for both is based on the premium of the second lowest cost Silver plan, which the state projects to be lower as a result of the MPSP. The state is seeking those savings as pass-through funding to support the MPSP with state contributions funding the balance.[11]

The state is also seeking to waive the single risk pool requirement in the individual market to allow insurers to factor in reinsurance payments received in calculating rates.[12]

The state explains that it meets all comparability requirements because benefits and cost-sharing will not change under the waiver and coverage levels are expected to increase as outlined above. In addition, the federal funding will come from savings to federal spending for premium tax credits and the Basic Health Plan as a result of the waiver so the federal deficit will not increase.

Oklahoma

Comprehensive individual market / Marketplace and subsidy waivers

Following legislation directing the exploration of waiver opportunities and creation of a Waiver Task Force, Oklahoma published a Section 1332 concept paper[13] in March of 2017. While many of the ideas in the paper are

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[9] http://mn.gov/commerce-stat/pdfs/mn-1332-narrative.pdf
[10] https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/Checklist-for-Section-1332-State-Innovation-Waiver-Applications-5517-cpdf.pdf
[11] The total estimated cost of the MPSP for 2018 is $271 million.
[12] The Section 1332 Checklist also specifies that a waiver of at least one provision of the ACA related to a pass-through funding request must be requested.
[13] https://www.ok.gov/health/documents/1332%20Waiver%20Concept%20Paper.pdf

not fully fleshed out or even concrete proposals, the paper starts the public discussion in the state regarding options for advancing state-based reform. The paper is expected to be followed-up with a data-driven report and then a rolling implementation starting in 2018.

The primary focus of the state's efforts is a fledgling individual insurance market. In particular, the state's individual insurance market is reportedly suffering from:

- Low enrollment, due to Medicaid crowd-out, lack of awareness, and lack of affordability
- High churn, with enrollees commonly dropping coverage after they receive care or due to missed payments
- Lack of competition in the market, as a result of the low enrollment and poor risk
- Plan designs that do not meet the needs of consumers
- Lack of state involvement in oversight

The goal of the proposed waivers is to stabilize the individual market by increasing state flexibility, competition, and choice while reducing costs and improving health outcomes. As outlined in greater detail in Table 1, the state primarily proposes to do this by:

- Eliminating the metallic coverage levels under the ACA in lieu of one minimum actuarial value for plans other than high deductible health plans;
- Introducing state-specific requirements focused on payment and delivery system reform for Qualified Health Plans (QHPs) and reducing the Essential Health Benefits (EHBs);
- Increasing administrative simplification for QHP carriers;
- Ending use of the Federally-Facilitated Marketplace (FFM) and instead utilizing an existing state-based coverage portal;
- Revisiting the dates of the Open Enrollment Period (OEP) and tighten rules for Special Enrollment Periods (SEPs);
- Adjusting eligibility for federal financial assistance to those under 100% of the Federal Poverty Level (FPL) that are currently in the gap between Medicaid coverage and tax credits, tightening grace period rules, and enabling auto-enrollment;
- Establishing and utilizing Health Savings Accounts (HSAs) as a vehicle for financial assistance; and
- Eliminating certain exemptions from the individual coverage requirement.

Further, the Task Force has proposed pursuing other flexibility unrelated to 1332 waivers at the same time, including:

- Assuming greater state responsibility over rate review and QHP certification;
- Expanding age ratios to a maximum of 5:1 (not currently allowed); and
- Exploring creation of a reinsurance pool, high risk pool, or hybrid model using federal funding

Hawaii

Maintaining its state-based employer coverage requirements

Hawaii is the first state with an approved Section 1332 Waiver,[14] having received approval in December of 2016. The state sought the waiver to allow its long-standing small group health coverage law – the Prepaid Health Care Act - to remain intact. The law was enacted in 1974 as a result of an ERISA exemption and requires most small employers to offer coverage that meets state standards to their employees that work 20 hours or more a week and provides premium assistance for doing so. Under Hawaii law, employers are required to offer coverage that is

[14] https://governor.hawaii.gov/wp-content/uploads/2014/12/REVISED-Hawaii-1332-Waiver-Proposal_-August-10-2016.pdf

more affordable and comprehensive than most plans that would be available through the Small Business Health Options Program (SHOP).

Via the waiver, Hawaii is released from the requirement to operate a small group Marketplace (also known as SHOP) and related provisions so that employers can continue to purchase more generous coverage outside of the Marketplace with state assistance without requiring the state to build a platform that would go largely unused in the state or allow employers to access a FF-SHOP which may lead to lack of awareness of state-based obligations. The waiver also allows for the pass-through of tax credit amounts that would have otherwise been paid to small employers that purchased coverage via the SHOP and met eligibility requirements. That funding is used, in turn, to support a state fund for small businesses that offer health insurance.

The waiver also includes flexibility as to which state agencies can carry out responsibilities for the Marketplace.

Under the waiver, there is not projected to be any decrease in coverage or change in affordability or benefits. Nor will it increase any federal expenditures.

Vermont

Maintaining small group direct enrollment

In March of 2016, Vermont submitted a Section 1332 Waiver[15] seeking to waive the requirement to establish a SHOP, and allow for continued direct enrollment through insurers. The Centers for Medicare and Medicaid Services informed the state that its submission was incomplete (missing required data and actuarial analysis) in June and there has been no public correspondence since.

Vermont has a merged individual and small group market and requires all coverage to be sold on the Marketplace, but allows for small groups to enroll directly through insurers. Insurers must make all of their plans available to employees, and employers can choose to offer employee choice across plans from all carriers by administering plan selection internally. With that structure, Vermont reports having the largest small group enrollment of all State-Based Marketplaces in 2014. Vermont sought to maintain this successful structure without having to invest in an internet portal.

California

Expanding coverage options for immigrants

While California ultimately rescinded its waiver application,[16] it had applied in December of 2016 with the aim of offering a new health insurance option to individuals excluded from enrollment in QHPs through the Marketplace due to their immigration status (undocumented immigrants and individuals granted Deferred Action for Childhood Arrivals). California sought to create “California Qualified Health Plans” (CQHPs), which would mirror and meet all the requirements of existing QHPs, and allow such individuals to enroll in those plans via the state Marketplace. This would allow mixed status families to access coverage through the streamlined Marketplace process. Such individuals would remain ineligible for financial assistance.

California reported that its proposal met comparability requirements by increasing coverage without impacting affordability or benefits and that there would be no federal cost.

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[15] http://dvha.vermont.gov/global-commitment-to-health/vermont-1332-waiver-for-state-innovation-application.pdf
[16] https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Downloads/Covered-California-Section-1332-Waiver-Application-12-16-16.pdf

TABLE 1: SPECIFIC WAIVER REQUESTS

	Waivable ACA Sections
	Subtitle D Subtitle D Part I Sections 1301-1304
Key Provisions	Defines QHPs, including the requirement that they be certified by the Marketplace Defines Essential Health Benefits (EHBs) and requires QHPs to include them Outlines requirements for QHP carriers (must sell at least one Silver and one Gold plan; must charge the same premiums on- and off-Marketplace) Outlines coverage levels and actuarial value (AV) requirements and catastrophic plans Establishes CO-OPs Includes definition related to insurance market rules, including defining small and large employer
Iowa (Individual Market Stopgap) Waiver Proposals	Eliminate metallic coverage level requirements
Alaska (Reinsurance) Waivers	None[17]
Minnesota (Reinsurance) Waiver Proposals	None
Oklahoma (Individual Market) Waiver Proposals	Eliminate ACA coverage levels and AV requirements and instead institute a minimum AV of 80% for non-HDHPs; state to validate AVs Establish state-based QHP requirements related to value-based payment, quality metrics, and care coordination Reduce EHBs Establish consumer and plan incentives related to HSA-like accounts (see also waiver to Subtitle E, Part I, Section 1402)
Hawaii (SHOP) Waivers	Eliminates the reference to SHOP in the definitions of QHPs, CO-OPs, and multi-state plans Eliminates the requirement that carriers offer Silver SHOP plans Eliminates the provision regarding continued participation in the SHOP for growing small employers
Vermont (SHOP) Waiver Proposals	None
California (Immigrant Coverage) Waiver Proposals	None
Examples of other ideas that are being or could be considered *(not intended to be an exclusive list)*	Add another EHB service or substitute an EHB category across the Marketplace or in certain coverage levels (straight eliminations would not meet comparability requirements) Decrease cost-sharing limitations (increases would not meet comparability requirements) Eliminate requirement that carriers offer Gold and Silver plans to encourage carrier participation Add a new coverage level or eliminate one or more coverage levels Allow catastrophic plans to be purchased by a broader population Allow unique plans to be offered to specific populations Define small employers as including sole proprietors

[17] Request to eliminate the opportunity to establish CO-OPs in Alaska was not granted.

	Waivable ACA Sections
	Subtitle D Part II Sections 1311-1313
Key Provisions	Sets forth provisions relative to the creation and duties of Marketplaces Outlines QHP certification criteria and requirements Sets forth Marketplace consumer support tools Establishes the open enrollment period (OEP) and special enrollment periods (SEPs) Sets forth requirements related to consumer choice in the Marketplaces and SHOPs including the right to continue to purchase insurance off-Marketplace Sets forth the requirement for a single risk pool and allows states to merge their individual and small group markets Sets forth eligibility requirements for purchasing through the Marketplace Sets forth requirements related to Marketplace financial integrity (record-keeping, reporting, audits)
Iowa (Individual Market Stopgap) Waiver Proposals	None
Alaska (Reinsurance) Waivers	Eliminate the single risk pool requirement to allow insurers to factor in reinsurance payments received in calculating rates.
Minnesota (Reinsurance) Waiver Proposals	Eliminate the single risk pool requirement to allow insurers to factor in reinsurance payments received in calculating rates.
Oklahoma (Individual Market) Waiver Proposals	Eliminate use of the FFM and instead piggy-back on the Insure Oklahoma platform (offers reduced-cost insurance for certain low-income individuals and small employers); **request funds that currently support the FFM in Oklahoma** Establish state-based QHP requirements (see also waiver to Subtitle D, Part I, Sections 1301-1304) Establish state-based fixed-cost description of benefits Change the Open Enrollment Period (consider aligning with date of birth) Increase pre-verification for Special Enrollment Period eligibility Administrative simplification for QHPs (including related to risk mitigation, eligibility and enrollment) Enable auto-enrollment (e.g., those found ineligible for Medicaid) Establish consumer and plan incentives related to HSA-like accounts (see also waiver to Subtitle E, Part I, Section 1402) Change grace period rules (see also waiver to Subtitle E, Part I, Section 1402)
Hawaii (SHOP) Waivers	Eliminates the state requirement to establish a SHOP (and the federal establishment of a FF-SHOP); **passes through amounts that would otherwise be available for small business tax credits through the SHOP to support state subsidies** Waives employee choice Waives the definition of “qualified employer” Allows flexibility as to which state agencies can carry out responsibilities for the Marketplace
Vermont (SHOP) Waiver Proposals	Eliminate the requirement that the state establish a SHOP. Also eliminate requirements that the following be available through a SHOP: rates, enrollee satisfaction system, enrollment portal, plan certification, consumer assistance, quality ratings, employee choice (this is all done through the individual market Marketplace which offers the same plans)
California (Immigrant Coverage) Waiver Proposals	Waive the requirement that the Marketplace only offer QHPs for the limited purpose of allowing it to offer CQHPs
Examples of other ideas that are being or could be	Waive individual Marketplace (replaced with direct enrollment or private exchanges) Allow rate setting by the Marketplace

considered *(not intended to be an exclusive list)*	Adapt QHP criteria for all plans or a subset of plans offered to a limited population to promote better integration with Medicaid (including to allow premium assistance programs to be more seamlessly integrated on the Marketplace) Allow the state to maintain a merged market while allowing unique rules for enrollment and rate changes (MA) Expand the role of agents and broker to allow them to assist with financial assistance applications Expand the SHOP to only a subset of large businesses Allow employers to offer vouchers for purchasing on the individual market Marketplace

	Waivable ACA Sections **Subtitle E Part 1 Section 1402**
Key Provisions	Establishes and sets forth eligibility and requirements related to cost-sharing reductions (CSRs)
Iowa (Individual Market Stopgap) Waiver Proposals	Eliminate CSRs
Alaska (Reinsurance) Waivers	None
Minnesota (Reinsurance) Waiver Proposals	None
Oklahoma (Individual Market) Waiver Proposals	Change eligibility for subsidies to 0-300% FPL; "gap" populations (between Medicaid and premium tax eligibility) are eligible Establish HSA-like accounts using federal subsidy dollars for use for premiums and cost-sharing; include incentives for continuous coverage and healthy behaviors Reduce the grace period for non-premium payment for subsidy-eligible individuals to 30 days (currently 90 days); require premium payment for reenrollment If CHIP is not reauthorized, move kids to the Marketplace with federal financial assistance **Request pass-through funding for CSRs**
Hawaii (SHOP) Waivers	None
Vermont (SHOP) Waiver Proposals	None
California (Immigrant Coverage) Waiver Proposals	None
Examples of other ideas that are being or could be considered *(not intended to be an exclusive list)*	Change CSR amounts Allow CSRs to be used outside of the Silver level via a benchmark plan approach Allow CSRs to be funded through HSAs and applied to plans outside of the Marketplace Provide CSRs for certain employer-sponsored plans Provide CSRs for standalone dental (MN)

	Waivable ACA Sections
	Internal Revenue Code of 1986 Section 36B Section 4980H Section 5000A
Key Provisions	Establishes and sets forth eligibility and requirements related to premium tax credits Outlines the large employer coverage requirement Outlines the individual coverage requirement
Iowa (Individual Market Stopgap) Waiver Proposals	Eliminate the individual coverage requirement Eliminate premium tax credits
Alaska (Reinsurance) Waivers	**Request for pass-through funding from savings related to lower premiums due to the state reinsurance program to fund the program**
Minnesota (Reinsurance) Waiver Proposals	**Request for pass-through funding from savings related to lower premiums due to the state reinsurance program to fund the program[18]**
Oklahoma (Individual Market) Waiver Proposals	Establish HSA-like accounts (see above) Move CHIP kids to the Marketplace with federal financial assistance (see above) Change eligibility for tax credits to 0-300% FPL (currently 100-400% FPL); "gap" populations (between Medicaid and premium tax eligibility) are eligible Eliminate calculation of eligibility for tax credits based on one family member ("family glitch") Calculate tax credits solely based on age and income **Request pass-through funding for premium tax credits** Limit hardship exemptions for the individual mandate **Request access to federal revenues collected as a result of the individual and large employer mandates**
Hawaii (SHOP) Waivers	None
Vermont (SHOP) Waiver Proposals	None
California (Immigrant Coverage) Waiver Proposals	None
Examples of other ideas that are being or could be considered *(not intended to be an exclusive list)*	Change premium tax credit calculation Eliminate the "family glitch" (MN) Allow premium tax credits to be administered at the family level Allow those who are income-eligible for premium tax credits to use them toward employer-sponsored plans that exceed affordability standards Include standalone dental premiums in the calculation for premium tax credits (MN) Smooth the subsidy continuum (CA) Further adjust the employer penalty for those employers that offer "skinny" plans Redefine seasonal employees Replace the individual mandate with another continuous coverage incentive (premium assessment, auto-enrollment) Adjust the individual penalty for those who purchase inadequate plans

[18] Also seeks pass-through funding from savings to the federal payments for the state's Basic Health Plan due to lower coverage costs.

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