



BULLETIN 26-EX-1

TO: ALL INTERESTED PARTIES

FROM: JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER

DATE: WEDNESDAY APRIL 29, 2026

RE: 1332 WAIVER REINSURANCE PROGRAM EXTENSION APPLICATION
PUBLIC NOTICE

The Office of Commissioner of Insurance and Safety Fire (OCI) is providing public notice regarding the State's intent to submit an extension application to the U.S. Department of Health and Human Services and U.S. Department of Treasury (collectively referred to as the "Departments") to continue its reinsurance program under Section 1332 of the Affordable Care Act (ACA). The Draft 1332 Waiver Extension Application is available for review at <https://oci.georgia.gov/insurance-resources/health/1332-waiver>.

Public Comment Period and Hearing

OCI is holding a 15-day public comment period from Wednesday, April 29, 2026, through Wednesday, May 13, 2026, to collect input on the draft extension application. All comments received during the public comment period will be reviewed and considered prior to submission of the final waiver extension application to the federal government.

Comments on the draft extension application may be emailed to Waivercomments2026@oci.ga.gov from April 29, 2026 through May 13, 2026. Mailed comments must be postmarked by May 13, 2026, and sent to:

Office of the Insurance and Safety Fire Commissioner (OCI)
Attn: Reinsurance Program
2 Martin Luther King Jr. Dr., West Tower, Floyd Building, Suite 707
Atlanta, GA 30334

A public hearing on the Draft 1332 Waiver Extension Application will be held on **Thursday, May 7, 2026**, at 10:00 am EDT. During this time, OCI will provide an overview of the reinsurance program, impact of the program on the market, and the extension application before opening to the public for comment. We are providing an option to attend either virtually or in person.

- To attend in person:
 - Office of Commissioner of Insurance
2 Martin Luther King Jr. Dr.
Atlanta, GA 30334
West Tower, Floyd Building

Ninth Floor - Peach Room

- To attend virtually:
 - Meeting Link: Microsoft Teams
 - Meeting ID: 277 157 597 167 593
 - Passcode: zr3wU984
 - Dial in number: +1 929-352-2216
 - Phone conference ID: 651 501 1#

Individuals with disabilities who require special accommodations, including auxiliary communicative aids and services, or individuals who require language translation services should contact OCI at reinsurance@oci.ga.gov by Thursday, April 30, 2026 to ensure necessary accommodations can be provided .

Reinsurance Program Overview

Prior to the inception of the waiver, Georgia's individual health insurance market faced instability with high premium growth, declining issuer participation in the market, and declining enrollment. In response, the State submitted a 1332 State Innovation Waiver to establish a state reinsurance program. The waiver was approved by the federal government on November 1, 2020, and is effective for the five-year waiver period of January 1, 2022 through December 31, 2026. Since its implementation, the reinsurance program has improved market stability and increased issuer participation which benefits consumers by helping moderate premium increases and supports continued access to affordable, quality health coverage options for consumers.

The reinsurance program reimburses health insurance issuers for a portion of high-cost claims in the individual market. The reimbursement of claims reduces issuer liabilities, which enables issuers to lower premium rates for plans offered in the market. Specifically, this includes the benchmark plan, the Second Lowest Cost Silver Plan (SLCSP). Since the benchmark plan used to calculate the federal premium tax credits (PTCs) is lower under the waiver, the federal cost for PTCs is reduced. This results in a savings for the federal government which is provided to the state in the form of pass-through funding to support the reinsurance program. As part of the waiver renewal, Georgia is requesting to continue receiving the pass-through funding.

Proposed 1332 Waiver Extension Application

Georgia intends to submit an extension application to continue the reinsurance program for additional five years from January 1, 2027 through December 31, 2031. The proposed extension continues the program's goal of lowering premiums in the individual market while supporting market stability.

Georgia sets the reinsurance program parameters on an annual basis ahead of issuer rate filings for the upcoming plan year based on market experience and estimated funding. Changes to the reinsurance program parameters are considered technical changes by the Departments, and the State will continue to evaluate and set the parameters annually under the waiver extension.

Georgia plans to increase the attachment point annually to keep pace with claims growth to maintain the fiscal stability and impacts of the reinsurance program. In addition, the State plans to implement a 70% coinsurance rate for Tier 3 counties to improve premium parity across Georgia's 159 counties. The proposed program parameters for PY 2027 are listed below.

Attachment: \$36,960

Cap: \$500,000

Coinsurance:

- Tier 1: 15%
- Tier 2: 45%
- Tier 3: 70%

Alignment with Guardrails

Section 1332 of the Affordable Care Act requires that 1332 Waivers satisfy four guardrails related to coverage, affordability, comprehensiveness, and deficit neutrality. Georgia's extension application complies with each of these requirements.

- **Comprehensiveness:** The waiver has no impact on the scope of benefits offered. Individuals enrolled in plans offered through the individual market will continue to receive coverage that meets the standards established under the Affordable Care Act and Georgia law.
- **Affordability:** By reimbursing insurers for a portion of high-cost claims, the program reduces overall claims costs and lowers premiums in the individual market. Lower premiums improve affordability for consumers purchasing coverage. Over the course of the waiver extension period, PY 2027-2031, the waiver extension is estimated to reduce premiums by 9.1% statewide which translates to an average annual savings of \$923 per member. Across each of the reinsurance tiers, premium reductions are estimated to be an average of 4.8% for Tier 1, 15.6% for Tier 2, and 22.9% for Tier 3 counties.
- **Coverage:** By lowering premiums, the waiver is expected to increase enrollment among unsubsidized consumers (those ineligible for federal premium tax credits) in the market relative to without the waiver. Over the course of the waiver extension period, unsubsidized enrollment is estimated to be 3,182 higher annually as a result of the increased affordability of premiums.
- **Deficit Neutrality:** The reinsurance program lowers premiums, which reduces federal spending on premium tax credits. Under Section 1332 of the Affordable Care Act, these savings are returned to the State as pass-through funding. The reinsurance program is estimated to save \$789M - \$913M in annual federal spending over the waiver extension period. The federal savings is requested to be passed through to the State to support the reinsurance program.



JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER
STATE OF GEORGIA