

SPECIAL MEETING OF THE
OKLAHOMA INSURANCE DEPARTMENT
SECTION 1332 WAIVER PUBLIC HEARING

Tuesday, October 13, 2026, at 2:00 P.M.

MINUTES

A special meeting regarding Oklahoma's draft Affordable Care Act (ACA) Section 1332 State Innovation Waiver was held to provide an overview of the waiver and receive comments from the public. The Oklahoma Insurance Department ("OID") intends to submit a waiver application to the U.S. Department of Health and Human Services and the U.S. Department of the Treasury seeking approval to implement a reinsurance program for the individual market beginning in 2028.

The meeting was held by the OID on October 13, 2026, at 2:00 p.m. at the Oklahoma Health Care Authority, 4345 N. Lincoln Blvd., Oklahoma City, Oklahoma, in accordance with 31 CFR 33.112, 45 CFR 155.1312, and 25 O.S. § 311. Attendees were provided with an option to attend in person and virtually.

The OID released public notice, the draft waiver, and information on how to attend the public hearing on October 1, 2026. The meeting agenda was posted on the OID's website and in a prominent public view by the front doors of the OID 24 hours in advance and sent to the office of the Oklahoma Secretary of State in accordance with 25 O.S. § 311.

The OID staff present at the hearing included Ashley Scott, Brian Downs, Shelly Patterson, LaTrina Frazier, Kristi Smith-Kenney, Robin Murphy, Sherry Standerfer, and Mike Rhoads.

Call to Order

Ashley Scott called the hearing to order at 2:01 p.m. Ashley Scott confirmed that virtual participants could hear the proceedings and that the meeting was being recorded and transcribed.

Minutes

Matters Considered:

Welcome and Instructions

Ashley Scott, OID Deputy Commissioner of External Affairs, welcomed attendees and stated that this was the first of two public hearings on the draft waiver. A separate tribal consultation will also be conducted.

Ashley Scott reviewed the procedures for providing in-person and virtual comments after the presentation. Speakers were requested to pre-register and to limit their remarks to two minutes. A timer would be used to support consistent and transparent administration of the comment period. Members of the public were informed that written comments could also be submitted through the OID's dedicated Section 1332 Waiver email address or by mail through October 31, 2026. Virtual attendees who did not pre-register to provide comment were invited to use the Q&A function or use

the virtual platform's raise-hand feature if they want to provide comment.

Presentation of the Draft 1332 Waiver Application

1. Oklahoma's Market Overview & State Authority

Ashley Scott shared that Oklahoma's individual health insurance market has experienced instability since implementation of the Affordable Care Act. Recently the market is facing challenges with declining enrollment and high premium growth. Oklahoma House Bill 1512, which was signed into law on May 15, 2025, authorizes the Oklahoma Insurance Department and the Insurance Commissioner to apply for a Section 1332 Waiver.

2. About 1332 State Innovation Waivers

Ashley Scott explained that 1332 Waivers permit states to pursue innovative approaches to expanding access to affordable, quality health insurance while retaining applicable consumer protections. The presentation noted that:

- Federal approval is required from the U.S. Department of Health and Human Services and the U.S. Department of the Treasury.
- Waivers may be authorized for up to five years, with renewal options.
- States may request federal savings associated with waiver be passed-through to the state to support the program.
- 20 states have operational Section 1332 waivers.

Ashley Scott also reviewed the four federal waiver guardrails for approval:

1. Coverage
2. Comprehensiveness
3. Affordability
4. Federal deficit neutrality

3. Oklahoma's Draft 1332 Waiver

Ashley Scott presented the OID proposed parameter-based reinsurance program designed to:

- Offset the risk associated with high-cost claims.
- Reduce premiums for consumers.
- Stabilize the individual health insurance market.
- Improve affordability in rural and high-cost regions.
- Increase issuer participation and expand access to coverage.

The 1332 Waiver will be funded primarily through Federal Pass-Through dollars with some state funding from Exchange User Fees.

4. Two-Tiered Reinsurance Approach

The proposed program divides Oklahoma's rating areas and associated counties into two tiers for the reinsurance program:

- **Tier 1—Higher-cost Regions:** Rating areas 1, 2, and 5.
- **Tier 2—Lower-cost Regions:** Rating areas 3 and 4.

Ashley Scott explained that a rating area is a defined geographic area used by issuers to establish and adjust premiums under the Affordable Care Act.

5. Proposed Reinsurance Parameters and Estimated Impacts

Ashley Scott presented the following proposed reinsurance parameters:

- **Attachment Point:** \$35,000
- **Cap:** \$100,000
- **Coinsurance:** Varies by year and rating area during the initial five-year period.

The State estimates that the program will produce:

- A statewide average premium savings of up to 6.2%.
- A savings of up to 14.6% in certain rating areas.

The proposal is intended to bring rural premiums more in line with urban premiums and create incentives for issuers to expand coverage statewide.

Opportunity for Public Comment

Ashley Scott opened the public comment period following the presentation.

- No in-person attendees registered to provide in-person comments.
- No virtual attendees pre-registered to provide comments.
- No additional virtual participants requested to provide comments during the hearing.
- No public comments were received.

Closing and Resources

Ashley Scott noted that additional information and updates are available on the OID dedicated Section 1332 Waiver webpage. Written comments will be accepted through October 31, 2026, and could be submitted by email or mail to OID.

Actions

No formal actions, votes, or decisions were recorded.

Adjournment

Ashley Scott thanked attendees and adjourned the meeting at 2:11 p.m.