SPECIAL MEETING OF THE OKLAHOMA INSURANCE DEPARTMENT'S SECTION 1332 WAIVER TRIBAL HEARING

Thursday, October 22, 2026, at 10:00 A.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 Tribal Nations. 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 22, 2026, at 10:00 a.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 Tribal meeting on October 1, 2026. An email notice was also sent to the Oklahoma Health Care Authority Bimonthly Tribal Consultation Tribal points of contact. 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, Robin Murphy, Kristi Smith-Kenney, and Sherry Standerfer.

Call to Order

Ashley Scott called the hearing to order at 10:01 a.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 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, if possible. Attendees 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 the waiver be passed-through to the state to support the program.
- 20 other 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's 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.

6. Impacts on Tribal Communities

Ashley Scott presented potential Tribal community impacts, including:
- Improved rural affordability and market competition.
- Increased marketplace enrollment and potentially greater billable revenue for Tribal health systems.
- Reduced uncompensated care.
- Stronger referral networks and access to specialty care.

Opportunity for Comment and Questions

Ashley Scott opened the floor for comments and questions from Tribal Members. The following were provided:
- **Premiums, Tax Credits, and Pass-Through Funding:** An attendee asked how lower premiums could affect federal subsidies and pass-through funding. OID explained that Exchange subsidies cap an enrollee's contribution based on income. The federal government then provides a subsidy for the difference between their contribution and the cost of the second lowest cost silver plan in their area. Because reinsurance lowers premiums, it also reduces federal subsidy costs. Consumers with small or no subsidies will see more of the premium savings directly because they pay more out of pocket. Most of the reinsurance program's cost will be covered by federal savings. The State will fund the remaining portion through Exchange user fees.
- **Exchange User Fees:** An attendee asked whether there was a prohibition on passing Exchange user fees on to consumers. OID responded that there is no prohibition; the fees are treated as plan administrative costs and are part of the premium. Issuers already pay user fees to participate through HealthCare.gov.
- **Bronze Premiums:** An attendee asked how reinsurance could affect the premium spread between bronze and silver plans, and if data was available. Tribal Members primarily buy Bronze plans and they want to make sure reinsurance will not make it more expensive. They requested that data be shared on expected impacts for the spread between Bronze and Silver Plans. OID shared that the reinsurance program is expected to lower premiums across the market and offered to further examine its potential effect on bronze-to-silver premium spread.
- **Federal Review of Budget Neutrality**: An attendee asked about federal review timelines and the budget neutrality guardrail. OID clarified that the State must submit an actuarial and economic analysis for federal review along with the waiver application. The analysis must demonstrate that the waiver is deficit-neutral, meaning it will not increase the federal deficit. The federal government has 180 days to review and issue a decision on 1332 waivers.
- **Tribal Health Systems and Premium Sponsorship:** An attendee stated that lower premiums could reduce the tribes' sponsorship costs, allowing them to help more patients get insured. This can bring more revenue into Tribal health systems and expand patients' access to care, including care from other providers. The speaker encouraged OID to reflect these effects in the waiver materials.
- **Tribal Enrollment in Other States:** An attendee asked whether reinsurance programs in

other states had increased Tribal enrollment. OID stated that it had not identified any publicly available data specific to Tribal member enrollment for other states' 1332 waivers but would continue to look.

- **Appreciation for Tribal Consultation:** An attendee thanked the group for revisiting the 1332 Waiver efforts from 2017, noting that previous efforts had been difficult and unresolved. They appreciated the discussion and OID's consideration of Tribal nations in Oklahoma, and said the meeting felt like a meaningful Tribal consultation. They noted that members in today's meeting also serve on the CMS Tribal Technical Advisory Group to Administrator Oz and the Secretary's Tribal Advisory Committee. They offered to assist with anything OID needs.
- **Cost-Sharing Referrals to the Exchange:** An attendee requested that the cost-sharing referrals that are in place remain with the new Exchange and noted that they already have a process in place for coordinating these referrals with participating issuers.
- **Summaries of Benefits and Materials from the Exchange:** An attendee asked to confirm the state-issued summaries of benefits and other materials accurately explain Tribal members' special enrollment rights and zero or limited cost-sharing. This information has remained inaccurate despite annual review efforts. They offered Tribal assistance to address the issue in Oklahoma.
- **Exchange Input**: An attendee asked whether Tribes would have further opportunities to provide input on the Exchange. OID indicated it expected to engage tribes and seek feedback as the platform and related activities are developed and operationalized.

Closing and Resources

Ashley Scott noted that additional information and updates are available on the OID Section 1332 Waiver webpage. Written comments will be accepted through October 31, 2026, and may 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 10:49 a.m.