



November 15, 2022

NAIC Antifraud Task Force
Commissioner Trinidad Navarro, Chair
Commissioner, John F. King, Co-Chair
Greg Welker, Senior Antifraud and Producer Licensing Program Manager

Dear Commissioners Navarro & King,

Thank you for soliciting feedback from Task Force members regarding the NAIC Model Law Review Form drafted by the Improper Marketing of Health Plans Working Group (herein referred to as “the working group”) on November 3, 2022.

While the Department appreciates the working group’s efforts to date, the Department believes the working group is premature in making any proposed recommendations to Model 880 at this time, and thus, we would not be able to support the task force voting to adopt the current NAIC Model Law Review form submitted for consideration. While well intended, the Department finds the proposed amendments to Model 880 fail to give state departments of insurance any additional regulatory oversight over lead generators than what they already have today, and we believe the working group and Task Force (as the working group’s parent committee), would most likely face significant difficulties obtaining the 2/3 majority vote needed to pursue amendments to the model. With no additional regulatory oversight resulting from the amendments proposed, coupled with the fact the NAIC membership is currently within the three-year window to achieve national adoption of the changes to Model 880 that went into effect in the Spring of 2021, we believe the recommendations to Model 880 are not the best course of action at this time.

As the working group has only reviewed and discussed Model 880 to date, and the working group is tasked with reviewing existing NAIC Models and Guidelines that address the use of lead generators for sales of health insurance products and identify models and guidelines that need to be updated or developed to address current marketplace activities, the Department, in responding to the working group’s most recent request for comments relative to the proposed revisions of Model 880, will be recommending the working group explore its second charge further by taking a comprehensive review of other models and guidelines that appear to warrant potential review. Such models include, but may not be limited to:

Model 218 - The Producer Licensing Model Act
Model 40 – Advertisements of Accident And Sickness Insurance Model Regulation
Model 660 – NAIC Model Rules Governing Advertisements of Medicare Supplemental Insurance With Interpretive Guidelines

We additionally plan to provide a revised course of action for the working group to consider before it makes any further recommendations to the Antifraud Task Force.

Thank you again for the opportunity to provide comments on this important topic. I’m happy to provide further details related to our concerns during the upcoming task force meeting, as well as answer any questions task force members may have.

Sincerely,

Michelle Rafeld
Assistant Director of Fraud & Enforcement
Ohio Department of Insurance