



July 30, 2019

Commissioner Glen Mulready, Co-Chair
Melinda Domzalski-Hansen, Co-Chair
Accident and Sickness Insurance Minimum Standards (B) Subgroup
National Association of Insurance Commissioners
444 North Capitol Street, NW, Suite 700
Washington, DC 20001

Via e-mail: jmatthews@naic.org

Dear Co-Chairs Mulready and Domzalski-Hansen:

The American Council of Life Insurers (ACLI), appreciates the opportunity to offer its comments on Sections 1 through 5 of the staff working draft of NAIC Model 171, the *Model Regulation to Implement the Supplementary and Short-Term Health Insurance Minimum Standards Model Act*.

ACLI's members provide dental and vision coverage as well as fixed indemnity supplemental benefits that provide financial security in the event of illness or injury for millions of working Americans and their families. We are committed to affordable and valuable products that enable consumers to have access to quality dental and vision care and to address the financial impact of accidents and illness beyond medical expense coverage. Additionally, ACLI's members are committed to ensuring that consumers understand that these products provide important financial protection but are not an alternative to major medical coverage.

The Model Regulation Should Establish Separate Sections Identifying Appropriate Minimum Standards and Disclosures Required for Short-Term Limited Duration Insurance.

ACLI supports the continued distinction between supplementary and short-term health insurance coverage reflected in the scope of the *Supplementary and Short-Term Health Insurance Minimum Standards Model Act* (Model 170). We support this continued distinction via separate sections within Model 171 for appropriate minimum standards and required disclosures applicable to short-term limited duration health insurance (which is a form of comprehensive medical coverage and is NOT a HIPAA-excepted benefit) and included supplemental benefits (that are not alternatives for comprehensive medical coverage and ARE HIPAA-excepted benefits). We believe that, given the different nature of these products, separate sections will enable regulators and interested parties to more easily identify appropriate minimum standards and required disclosures.

While the minimum standards and disclosure requirements should differ between supplementary and short-term limited duration insurance, sections 1-5 do not appear to require significant changes to differentiate those products. Subsequent sections can differentiate some of the defined terms that may have different significance or be inapplicable for different covered products (i.e., “Pre-existing conditions”). We believe this could be adequately addressed under the relevant minimum standards to be considered in later sections.

We look forward to continuing to work with you on subsequent sections and how best to structure standards applicable to short-term limited duration insurance and supplementary benefits. Please reach out with any questions or to discuss any aspect of ACLI’s comments to Chuck Piacentini at 202-624-2041 or chuckpiacentini@acli.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Piacentini, Jr.", with a stylized flourish at the end.

Charles P Piacentini, Jr.
Vice President, Insurance Regulation &
Associate General Counsel