



October 15, 2019

Deputy Commissioner Don Beatty  
Chairman, HMO Issues (B) Subgroup  
National Association of Insurance Commissioners  
1100 Walnut Street, Suite 1500  
Kansas City, MO 64106

**Attn: Jolie H. Matthews**  
**Via e-mail: JMatthews@NAIC.org**

**Re: Comments on VA Proposed HMO Model Revisions**

Dear Deputy Commissioner Beatty:

On behalf of America's Health Insurance Plans (AHIP), we thank you and the members of the HMO Issues (B) Subgroup for this opportunity to comment in response to Virginia's proposed revisions to the HMO Model, #430.

AHIP members' regular activities in state legislative sessions repeatedly remind them of the sessions' usually hectic pace, as well as the appreciation most legislators have for tips and methods that help them understand the legislation they consider, including those bills which they draft or assist in drafting. Additionally, the subjects of insolvencies and guaranty associations are fraught with complexities.

In this instance, where we are discussing revisions to one Model which are prompted by revisions to another, it is only reasonable to do what is possible to alert legislators to that interplay - that the changes to one are needed only if changes have also been made to the other. Further, legislatures may be reviewing the changes to the two Models separately, and potentially years apart. It is also not inconceivable that the NAIC might make other changes to either Model, or both, in the years to come. Therefore, we are urging the Subgroup to include in the revisions to Model #430 some form of warning, alert, drafting note, or other language to put readers on notice of this interdependency situation.

This could be done by displaying Model #430 in two alternative versions, the newly revised version ("A") and the existing version ("B), along with a brief explanatory note:

"In states that have enacted revisions to their Guaranty Association law to comport with the 2017 updated changes to the *Life and Health Insurance*

*Guaranty Association Model Act* (#520), the newly revised version “A” of this Model 430 should be considered. Otherwise, states should refer to version “B” for adoption.”

In the alternative, the revisions to Model #430 could be set out as alternative provisions with recommendations for use, following the existing Model language, just as are now found following Model #520.

We hope these suggestions are useful to the Subgroup, and we look forward to continuing discussions.

Sincerely,

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