



**BlueCross BlueShield
Association**

An Association of Independent
Blue Cross and Blue Shield Plans

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Ms. Laura Arp, Co-Chair
Mr. Andrew Schallhorn, Co-Chair
Accident and Sickness Insurance Minimum Standards (B) Working Group
National Association of Insurance Commissioners
444 North Capitol St., NW Ste 700
Washington, D.C. 20001-1512

Submitted via email: Jolie Matthews, JMatthews@naic.org

RE: BCBSA Comments on Model Regulation to Implement the Supplementary and Short-Term Health Insurance Minimum Standards Model Act

Dear Administrator Arp and Deputy Commissioner Schallhorn:

The Blue Cross Blue Shield Association (BCBSA) appreciates the opportunity to provide comments on draft revisions to the Model Regulation to Implement the Supplementary and Short-Term Health Insurance Minimum Standards Model Act, specifically as it relates to Sections 3, 7 and 8 of the working draft.

BCBSA is a national federation of 35 independent, community-based and locally operated Blue Cross and Blue Shield companies (Plans) that collectively provide health care coverage for one in three Americans. For more than 90 years, Blue Cross and Blue Shield companies have offered quality health care coverage in all markets across America – serving those who purchase coverage on their own as well as those who obtain coverage through an employer, Medicare and Medicaid.

Section 3. Applicability and Scope

BCBSA recommends that the Model Regulation clearly distinguish between short-term, limited-duration (STLD) insurance and other forms of coverage that are supplemental in nature. To accomplish this, we recommend explicitly including the definition of short-term, limited-duration insurance in the scope section. This will avoid any ambiguity or potential misinterpretation when the term is used later in the Model Regulation. Specifically, we recommend adding the following paragraph to section 3:

For purposes of this regulation, “Short-term, limited-duration insurance” means health insurance coverage offered or provided within the state pursuant to a contract by a health carrier, regardless of the situs of the delivery of the contract, that has an expiration date specified in the contract that is less than [X days or months] after the original effective date and, taking into account any extensions that may be elected by the

policyholder with or without the carrier's consent, has a duration no longer than [X days or months] after the original effective date of the contract.

Section 7. Coverage Requirements

BCBSA recommends adding outpatient prescription drug and mental health benefits to the required benefits. Today, an individual could face thousands of dollars of unexpected, uncovered prescription drug expenses to treat life-threatening conditions that develop while they are covered under a short-term insurance plan. Furthermore, mental health coverage is a federally mandated benefit that is also required by law in many states. Requiring coverage for these benefits for STLD policies helps protect consumers from significant medical expenses and/or ensuring they can get the care they need at the time of the initial diagnosis.

Section 8. Disclosure Requirements

BCBSA recommends including additional language within Section 8 to provide clarification for consumers who may be unaware what the 10 essential health benefit categories are and that the STLD policy may not provide appropriate or adequate coverage for their needs. Specifically, we recommend a section that would read as follows:

“(1) That the short-term insurance plan is not required to include coverage for all ten (10) of the essential health benefits required under the PPACA and specify the essential health benefits where no coverage is offered.”

We appreciate your consideration of our comments. If you have any questions, please contact Randi Chapman at 202.826.5156 or Randi.Chapman@bcbsa.com.

Sincerely,



Clay S. McClure
Executive Director
State Relations
Blue Cross Blue Shield Association