Governor Mike Kehoe
State of Missouri

Missouri Department of
Commerce & Insurance
Angela L. Nelson, Director

Division of Insurance Market Regulation

April 16, 2025

Sent via email: hmarsh@naic.org

Mr. Joshua Guillory, Chair
Attn: Hal Marsh
NAIC Market Conduct Annual Statement Blanks (D) Working Group
National Association of Insurance Commissioners
110 Walnut Street, Suite 1500
Kansas City, MO 64106-2197

Dear Chair Guillory:

The Missouri Department of Commerce and Insurance, Market Conduct Section, appreciates the opportunity to comment on the proposed MCAS Working Group Other Health Blank and its Instructions and Definitions, which were presented during the meeting on April 3, 2025. Our comments are as follows.

Inconsistency in the Blank and the Instructions:
The current proposal added the phrase "during the period" in several locations for clarity and consistency. To achieve clarity and consistency, there are several additional places where similar changes could be made in the Policy/Certificate Administration and Consumer Complaints and Lawsuits section. For clarity, we suggest amending the following items in both the Blank and the Instructions:

ID #	Change
2-100	Direct Written Premium during the period
2-108	Number of policies/certificates cancelled during the free look period during the period.
2-113	Number of covered lives impacted on terminations and cancellations initiated by the policyholder/certificate holder during the period.
2-114	Number of covered lives impacted on terminations and cancellations due to non-payment during the period.
2-115	Number of covered lives impacted by rescissions during the period.
3-119*	Total number of all claims received during the period.
3-120	Total number of claims denied, rejected or returned during the period.

ID #	Change
3-121	Number denied, rejected, or returned during the period as non-covered or maximum benefit exceeded.
3-122	Number denied, rejected, or returned during the period as subject to pre-existing condition exclusion.
3-123	Number denied, rejected, or returned during the period due to failure to provide adequate documentation.
3-124	Number denied, rejected, or returned during the period due to being within the waiting period.
3-126	Median number of days from receipt of claim to decision for denied claims during the period.
3-127	Average number of days from receipt of claim to decision for denied claims during the period.
3-128	Median number of days from receipt of claim to decision for approved claims during the period.
3-129	Average number of days from receipt of claim to decision for approved claims during the period.
3-130	Number of claims paid (include partially paid claims) during the period.
3-132	Number of claims during the period where the claims payment was reduced by premium owed.
3-133	Dollar amount of claims payments during the period applied to unpaid premiums.
4-134	Number of complaints received by Company (other than through the DOI) during the period.
4-135	Number of complaints during the period resulting in claims reprocessing.

* Additional information on suggested change below

The Exclusion of Discretionary Groups:
The definitions for "Other Health" (page 12 of the Instructions) and "Association/Trust" (page 13 of the Instructions) added the following exclusions:

- Discretionary policies (i.e. Labor Unions, Financial Institutions, Debtors, other Discretionary groups)
- Medicare supplement
- Blanket policies
- Government plans, i.e. Medicare/Medicare Advantage/Medicaid/Federal Employee Plans/TriCare, etc.

Discretionary policies are not clearly defined, except for a few examples and the mention of "other Discretionary groups." This wording leaves the definition open to interpretation. Furthermore, the current instructions conflicts with Missouri law, as labor unions, financial institutions, and creditor groups are not considered discretionary groups in Missouri.

Since different states may have varying definitions of "Discretionary Group," insurers should instead rely on the legal definitions relevant to the state in which they are reporting to determine what is included or excluded. We recommend removing specific examples from the definition

and replacing it with something along the lines of "(i.e., discretionary groups as defined by the reporting jurisdiction)".

We understand this may create challenges. Alternatively, it would be reasonable to remove Discretionary Groups altogether from the excluded groups list on the Other Health blank.

In addition, the Report by Residency instruction on page 12 includes references to 'discretionary groups'. If discretionary groups are to be excluded from reporting, these references should be deleted.

Schedule 3 Claims Administration line 119 of the instructions and the blank:
We suggest removing the term "non-clean claim" and rephrasing it to "Total number of all claims received during the period." This adjustment will ensure consistency with the Health blank, which does not use the term "clean claim" or provide a definition for it. It will also reduce confusion about which claims to include, as all claims should be included. The current instructions provide a definition of "Claim," which includes the following: *"A 'Claim' includes any such request or demand, even those with incomplete or insufficient documentation, and those made by an individual who is not eligible or covered under the policy against which the claim is filed."* This definition clarifies that a claim encompasses non-clean claims as well.

Definition of Clean Claim:
The definition of "clean claim" is currently located on page 15 of the Instructions in Schedule 4: Definitions (Consumer Complaints and Lawsuits). However, since the term is not referenced in that section of the blank, we propose removing it. The only mention of the term appears on line 119, which we recommend rephrasing for clarity and to ensure consistency with the Health blank. If our suggested changes are approved, there will be no need to retain the definition. If our suggestion on line 119 is not accepted, then this definition should be move to the definitions for Schedule 3.

Thank you for the opportunity to share our thoughts. Missouri is wholeheartedly committed to ensuring that the other health blank serves as a valuable resource for all states, while striving to ease any burdens faced by industry stakeholders. We believe that through collaboration and open dialogue, we can create a seamless experience that benefits everyone involved.

Sincerely,

Teresa Kroll - CIE, CPCU, AIRC, MCM
Chief Examiner, Market Conduct
Missouri Department of Commerce & Insurance