



August 27, 2018

Mr. J.P. Wieske
Regulatory Framework (B) Task Force
National Association of Insurance Commissioners
444 North Capitol Street, NW
Suite 700
Washington, DC 20001
Via email: jmatthews@naic.org

RE: Ancillary Health Insurance Minimum Standards Model Act (Model 170) Exposure Draft

Dear Mr. Wieske:

On behalf of America's Health Insurance Plans (AHIP), we offer the following suggested revisions to the Regulatory Framework (B) Task Force exposure draft of Model 170, the *Ancillary Health Insurance Minimum Standards Model Act*.

AHIP is the national association whose members provide coverage for health care and related services. Our members offer health and wellness products in every insurance market, in every state, to individuals, families, small and large businesses as well as Medicaid and Medicare beneficiaries. Through these offerings, we improve and protect the health and financial security of consumers, families, businesses, communities and the nation. We are committed to market-based solutions and public-private partnerships that improve affordability, value, access, and well-being for consumers.

Section 4

In light of the final regulations on STLDI, in subsection A, we recommend that in addition to terms of renewability it is important to explicitly set forth standards for disclosure of any maximum duration of coverage. In addition, we suggest adding “preexisting condition limitation” to existing item 5 for clarification.

(5) Preexisting conditions **and preexisting condition limitations**

(15) **Any maximum duration of coverage**

In subsection J, to ensure that the definition of short-term limited duration insurance (STLDI) is consistent with the recently-released final regulations and encourage states to make their statutory definitions consistent with the NAIC Model Act so that there are no gaps in regulatory authority, we recommend the following edits to the drafting note on STLDI:

Drafting Note: Subsection J does not include a potential maximum length of coverage for short-term, limited duration insurance. States have established different terms and durations of coverage for short-term, limited-duration insurance. Some states have set the maximum duration of coverage at less than 12 months, while others have established a three-month maximum. In addition, some states provide that such coverage may not be renewed or extended beyond the established term, or have otherwise limited total duration, while other states have no such provisions regarding renewal or extension. ~~The current federal regulations limit short-term, limited-duration insurance contracts to less than three twelve months and, including taking into account renewals or extensions, to a maximum duration of no longer than 36 months in total. that may be elected with or without the insurer's consent. The proposed federal regulations, as published in the Federal Register Feb. 21, 2018, propose a maximum duration of coverage of less than 12 months.~~ States should carefully examine their health insurance markets to determine the appropriate maximum term and duration for such plans, including whether renewability or extension of such coverage is appropriate and consistent with federal law. States should also ensure that any other definitions of short-term limited-duration insurance that are used in statutes that provide exemptions from otherwise applicable regulatory requirements are consistent with the definition used above in order to prevent gaps in regulatory authority.

Section 6

In Section 6, both items J and K, we suggest changing “is not required to” to “does not” comply with federal requirements. Stating that something “is not required to” comply makes it sound optional, but we believe the consumer should know without equivocation that the plan they are purchasing does not actually comply with ACA requirements.

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We appreciate the opportunity to offer these comments. If you have any questions or would like to discuss any of these comments, please do not hesitate to contact us at (202) 778-1149 or to contact AHIP's consultant, Chris Petersen, at (202) 247-0316.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Jerbi".

Heather E. Jerbi
Executive Director, Product Policy

A handwritten signature in black ink, appearing to read "Winthrop S. Cashdollar".

Winthrop Cashdollar
Executive Director, Product Policy

cc: Candy Gallaher, Senior Vice President, State Policy, AHIP