

**Health Reform**  
**Market Conduct Examination Standards**

States moved forward in 2012 supporting the implementation of health reform. Under the guidance of the Market Conduct Examination Standards (D) Working Group, states are now developing examination standards for the provisions of health reform. Under Federal law, if the states fail to “substantially enforce” health reform, either because they are unable or unwilling to do so, the Federal government is obligated to undertake the role of health insurance market regulator. To help ensure continued state authority and strong consumer protections remain in the place, the following health insurance market conduct examination standards and examination template have been developed. As the document is reviewed, please keep in mind further standards will be developed as additional provisions of health reform become effective next year, such as guaranteed issue, no preexisting exclusions, etc. on 1/1/2014. To make the development of standards manageable and to obtain meaningful progress, the development of standards has been segmented into different phases which correspond to the effective date of health reform provisions. The current focus is on the initial provisions of health reform, noted below as “Phase 1” provisions.

**Phase 1 - Health Reform Provisions Effective 2010 - 2013**

Provision Title	Health Reform Citation
Annual and Lifetime Benefit Limit Exclusions	PHSA 2711
Coverage of Preventive Health Services	PHSA 2713
Coverage of Emergency Services and Direct Access to Providers, Choice of Health Care Professional	PHSA 2719A
Dependent coverage to age 26 (Extension of adult dependent coverage to age 26)	PHSA 2714
Internal and External Review	PHSA 2719
Minimum Loss Ratio Requirements (Bringing Down the Cost of Health Care Coverage)	PHSA 2718
Prohibitions on preexisting conditions exclusions for individuals under 19 years of age	PHSA 1255
Prohibition of Discrimination Based on Salary	PHSA 2716
Rescissions	PHSA 2712
Summary of Benefits and Coverage Document - SBCs – (Uniform explanation of coverage documents and standardized definitions)	PHSA 2715
Nondiscrimination	PHSA 1557