

2024 Fall National Meeting
Denver, Colorado

REGULATORY FRAMEWORK (B) TASK FORCE

Sunday, November 17, 2024
11:30 a.m. – 12:30 p.m.

Meeting Summary Report

The Regulatory Framework (B) Task Force met Nov. 17, 2024. During this meeting, the Task Force:

1. Adopted its Summer National Meeting minutes.
2. Adopted its Nov. 4 minutes. During this meeting, the Task Force took the following action:
 - A. Adopted its 2025 proposed charges.
 - B. Adopted the proposed revisions to the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act (#171)*.
3. Adopted the report of the Accident and Sickness Insurance Minimum Standards (B) Subgroup, including its Oct. 17 and Sept. 9 minutes. During these meetings, the Subgroup took the following action:
 - A. Discussed the comments received on the May 5 and Sept. 24 drafts of proposed revisions to Section 9—Required Disclosure Provisions of Model #171.
 - B. Adopted the proposed revisions to Model #171.
4. Adopted the report of the Employee Retirement Income Security Act (ERISA) (B) Working Group.
5. Adopted the report of the Mental Health Parity and Addiction Equity Act (MHPAEA) (B) Working Group, including its Summer National Meeting minutes. The Working Group will meet Nov. 18. During this meeting, the Working Group plans to take the following action:
 - A. Discuss the federal mental health parity final regulation.
 - B. Meet in regulator-to-regulator session, pursuant to paragraph 8 (consideration of strategic planning issues) of the NAIC Policy Statement on Open Meetings, to continue discussion of the opioid use disorder issue.
6. Adopted the report of the Pharmaceutical Benefit Management Regulatory Issues (B) Working Group, which will meet Nov. 18. During this meeting, the Working Group plans to take the following action:
 - A. Discuss pharmacy benefit managers (PBMs) and how they function.
 - B. Discuss providing potential assistance to the Producer Licensing Uniformity (D) Working Group to create a new section on PBM licensure best practices and uniform standards in the *State Licensing Handbook*.
7. Heard a presentation from AffirmedRX on PBM transparency initiatives. The presentation offered a brief overview of PBMs, emphasizing the importance of transparency in PBM operations and addressing related challenges and barriers. It explored the concept of public benefit corporations

(PBCs) and PBC PBMs, highlighting how PBC PBMs focus on providing transparent and ethical drug pricing while ensuring access to medications for underserved populations. This approach enhances trust among stakeholders, partners, and the public; attracts socially conscious investors; and improves public image and reputation. The discussion also covered future directions, including PBM transparency emerging trends, the potential impact of new technologies, and ongoing legislative and regulatory efforts.

8. Heard a discussion on issues related to the implementation of the federal Affordable Care Act's (ACA's) Section 1557 final regulation, including the application of its nondiscrimination provisions to Medicare supplemental insurance (Medigap) and other excepted benefit products. The discussion noted the importance of excepted benefit products to consumers. It also highlighted that Section 1557's nondiscrimination provisions apply to any health program or activity, including any part of which is receiving federal financial assistance, and that federal guidance is needed to provide clarity on how the final regulation is to be implemented, particularly with respect to Medigap plans. The discussion also suggested that while the Section 1557 final regulations are still being debated, state insurance regulators can play an important role in ensuring that its non-discrimination protections are applied and enforced, such as through the complaint process and the review of plan benefit designs.