

2020 Summer National Meeting
Virtual Meeting

REGULATORY FRAMEWORK (B) TASK FORCE

Tuesday, August 4, 2020

11:00 a.m. – 12:30 p.m. ET / 10:00 – 11:30 a.m. CT / 9:00 – 10:30 a.m. MT / 8:00 – 9:30 a.m. PT

Meeting Summary Report

The Regulatory Framework (B) Task Force met Aug. 4, 2020. During this meeting, the Task Force:

1. Adopted its Feb. 20 and 2019 Fall National Meeting minutes. During its Feb. 20 meeting, the Task Force:
 - a. Appointed the MHPAEA (B) Working Group and adopted its 2020 proposed charges.
2. Adopted the report of the Accident and Sickness Insurance Minimum Standards (B) Subgroup, which met Dec. 19, 2019, and took the following action:
 - a. Continued its discussion of the comments received on Sections 1–5 of the *Model Regulation to Implement the Accident and Sickness Insurance Minimum Standards Model Act* (#171), now known as the *Supplementary and Short-Term Health Insurance Minimum Standards Model Act* (#170).
 - b. Set a public comment period ending Feb. 7 to receive comments on Sections 6 and 7 of Model #171. The Subgroup had planned to begin meeting via conference call in February to complete its discussion of the comments received on Sections 1–5 and begin discussion of the comments received on Sections 6 and 7, but due to the COVID-19 public health emergency and the loss of one of its co-chairs, the Subgroup has not met since December 2019.
3. Adopted the report of the ERISA (B) Working Group, which met July 31 and July 28 and took the following action:
 - a. Adopted its 2019 Fall National Meeting minutes.
 - b. Discussed what the Working Group should focus on in 2021, including reviewing the *Prevention of Illegal Multiple Employer Welfare Arrangements (MEWAs) and Other Illegal Health Insurers Model Regulation* (#220) to consider its continuing relevance.
 - c. Met in a regulator-to-regulator session, pursuant to paragraph 2 (pending investigations which may involve either the NAIC or any member in any capacity), paragraph 3 (specific companies, entities or individuals), and paragraph 8 (consideration of strategic planning issues) of the NAIC Policy Statement on Open Meetings.
4. Adopted the report of the HMO Issues (B) Subgroup, which met July 13 and June 24 minutes and did not include adopting the revisions to the *Health Maintenance Organization Model Act* (#430). During these meetings, the Subgroup:
 - a. Discussed the comments received by the public comment period ending March 18 on proposed revisions to Model #430 to address inconsistencies and redundancies in the model with the provisions in the *Life and Health Insurance Guaranty Association Model Act* (#520), which added health maintenance organizations (HMOs) as members of the guaranty association.
 - b. Adopted the revisions to Model #430.
5. Adopted the report of the MHPAEA (B) Working Group, which met July 29 and July 28 and took the following action:
 - a. Heard a presentation on activities and work being done to assist self-funded group health plans and private employers to comply with mental health parity requirements under the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addition Equity Act of 2008 (MHPAEA).
 - b. Heard a presentation from the American Psychiatric Association (APA) on state activities and legislation related to MHPAEA parity data reporting requirements.
 - c. Discussed current parity compliance resources and tools available to the states to determine plan compliance with the MHPAEA parity requirements and potential resources and tools the Working Group developed to supplement, but not supplant, these existing tools and resources.
 - d. Discussed next steps in developing supplemental MHPAEA parity compliance resources and tools for the states related to non-quantitative treatment limitations (NQTLs).
 - e. Met in regulator-to-regulator session, pursuant to paragraph 2 (pending investigations which may involve either the NAIC or any member in any capacity), paragraph 3 (specific companies, entities or individuals), and paragraph 8 (consideration of strategic planning issues) of the NAIC Policy Statement on Open Meetings.

6. Adopted the report of the Pharmacy Benefit Manager Regulatory Issues (B) Subgroup, which met July 16 and took the following action:
 - a. Discussed the ad hoc drafting group's draft pharmacy benefit manager (PBM) model act.
 - b. Exposed the PBM draft for a public comment period ending Sept. 1. The Subgroup plans to meet via conference call to begin discussion of the comments received sometime in September after the public comment period ends.
7. Heard an update from the Center on Health Insurance Reforms' (CHIR's) work related to federal Affordable Care Act (ACA) implementation and other issues of interest to state insurance regulators. The update included a discussion of the CHIR's efforts to track state activity related to COVID-19's effect on private coverage of critical services. The CHIR is continuing to track and analyze developments under the ACA's Section 1332 waiver program and state regulatory approaches to short-term, limited-duration (STLD) plans. The CHIR is also continuing its work to track state reforms affecting the individual market and the affordability of comprehensive coverage. The presentation also highlighted the CHIR's ongoing technical assistance regarding insurance regulatory matters, including state COVID-19 responses through the State Health and Value Strategies Program (SHVSP) and assistance provided to state and federal policymakers regarding regulatory approaches to balance billing.
8. Heard a panel presentation on health care sharing ministries (HCSMs). The CHIR discussed consumer confusion with HCSMs because of how they are marketed by some HCSMs and their similarity in many aspects to traditional health insurance plans, such as defined benefit packages, cost-sharing, and premium-like payment requirements. A representative from Samaritan Ministries discussed suggestions for best practices for HCSMs to provide transparency and potentially reduce consumer confusion between HCSMs and traditional health insurance plans.
9. Heard a discussion on premium holidays, early medical loss ratio (MLR) rebate payments, and adjustments to cost-sharing benefits due to fewer claim filings in 2020 because of COVID-19. As part of this discussion, the federal Centers for Medicare & Medicaid Services (CMS) announced that it had just released guidance on a new temporary policy that will allow issuers to offer temporary premium reductions for individuals with 2020 coverage in the individual and small group markets. The guidance can be found at this link: <https://www.cms.gov/CCIIO/Programs-and-Initiatives/Health-Insurance-Marketplaces/Downloads/Premium-Credit-Guidance.pdf>.

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