

## PROJECT HISTORY - 2013

### SMALL GROUP MARKET HEALTH INSURANCE COVERAGE MODEL ACT (#106)

#### 1. Description of the Project, Issues Addressed, etc.

At the 2011 Spring National Meeting, the Regulatory Framework (B) Task Force discussed a work plan to develop one or more new NAIC models that would incorporate the 2014 market reforms under the Patient Protection and Affordable Care Act (ACA) and its Sept. 23, 2010 immediate reform provisions. At the 2012 Spring National Meeting, the Regulatory Framework (B) Task Force decided to develop two new NAIC model acts: one for the non-group market and the second for the small group market. The Regulatory Framework (B) Task Force adopted the Small Group Market Health Insurance Coverage Model Act Nov. 29 at the 2012 Fall National Meeting and presented it to the Health Insurance and Managed Care (B) Committee for its consideration. As part of the Task Force's report, the Health Insurance and Managed Care (B) Committee adopted the Small Group Market Health Insurance Coverage Model Act on Nov. 30.

Major provisions in the model act include:

Provisions reflecting the ACA's 2014 market reforms:

- Restrictions Relating to Premium Rates (Section 5)
- Guaranteed Availability of Small Group Market Health Insurance Coverage (Section 6)
- Guaranteed Renewability of Small Group Market Health Insurance Coverage (Section 7)
- Prohibition of Preexisting Condition Exclusions (Section 9)
- Comprehensive Health Insurance Coverage Requirements (Section 13)
- Coverage for Participation in Approved Clinical Trials (Section 15)
- Provision of Summary of Benefits and Coverage Explanation (Section 17)
- Quality of Care Reporting Requirements (Section 20)

Provisions using the model language template language from the ACA's Sept. 23, 2010 immediate reform provisions:

- Extension of Dependent Coverage (Section 8)
- Prohibition on Lifetime and Annual Limits (Section 11)
- Prohibition on Rescissions of Coverage (Section 12)
- Coverage of Preventive Health Services (Section 14)
- Choice of Health Care Professional; Access to Pediatric and Obstetrical and Gynecological Care Requirements (Section 16)

#### 2. Name of Group Responsible for Drafting the Model and States Participating

The Regulatory Framework (B) Task Force drafted the model language. The members of the Task Force are: South Dakota, Chair, Idaho, Vice Chair, California, Colorado, District of Columbia, Florida, Illinois, Kansas, Kentucky, Maine, Minnesota, Montana, Nebraska, Nevada, New Jersey, Ohio, Oklahoma, Oregon, Pennsylvania, Utah, Virginia, Washington, West Virginia and Wisconsin.

#### 3. Project Authorized by What Charge and Date First Given to the Group

The Regulatory Framework Task Force has a general charge to: coordinate and develop the provision of technical assistance to the states regarding state level implementation issues raised by federal health legislation and regulations. The Task Force also has a specific charge to consider the development of new NAIC model laws and regulations and the revision of existing NAIC model laws and regulations affected by federal legislation and final federal regulations promulgated pursuant to such legislation.

After the enactment of the ACA in March 2010, consistent with its charges, the Health Insurance and Managed Care (B) Committee directed the Regulatory Framework (B) Task Force to review and revise existing NAIC models impacted by the ACA or, as necessary, develop new NAIC models to assist the states in implementing the ACA. This proposed new NAIC model act is consistent with that directive.

**4. A General Description of the Drafting Process (e.g., drafted by a subgroup, interested parties, the full group, etc). Include any parties outside the members that participated**

The model act was drafted by the Regulatory Framework (B) Task Force. The Task Force held in-person meetings at each of the 2012 National Meetings and at a June 26, 2012 interim meeting during which the drafts and comments received on the drafts were discussed. The drafts and comments received on the drafts were also discussed during open conference calls held on Sept. 19, Oct. 24 and Nov. 19, 2012. All drafts and comments were posted on the Task Force's page on the NAIC Internet website. During these in-person meetings and open conference calls representatives from various stakeholder groups participated, including consumer representatives, such as Georgetown University Health Policy Institute, Consumers for Affordable Health Care, Center on Budget and Policy Priorities (CBPP), Consumers Union and Families USA; and industry representatives, such as America's Health Insurance Plans (AHIP), BlueCross and BlueShield Association (BCBSA), WellPoint and Golden Rule.

**5. A General Description of the Due Process (e.g., exposure periods, public hearings, or any other means by which widespread input from industry, consumers and legislators was solicited)**

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**6. A Discussion of the Significant Issues (items of some controversy raised during the due process and the group's response)**

There were no significant issues discussed during the drafting process for this model act.

**7. Any Other Important Information (e.g., amending an accreditation standard).**

None