



MINUTES

HRIC's Insurance Regulations Sub-Committee Meeting February 17, 2011

(1) Introduction of New Sub-Committee Members

(2) Old Business:

- a. It was noted that there were new HRIC Committee Members due to the new Mayoral Administration.
- b. The question was posed whether a calendar existed for the larger HRIC Committee. Mr. Barlow responded that he was not aware of a schedule of HRIC meetings.

(3) New Business:

- a. B18-0792 (now A18-0710, Reasonable Health Insurance Ratemaking & Reform Act of 2010) has been signed by Mayor Gray and is currently undergoing Congressional Review (it could be DC Law by early-mid July).
 - i. Because of the mandatory rulemaking directive in the legislation, the issue was raised as to the nature and extent of the any rulemaking. It was suggested that the Sub-Committee proceed through the Bill and identify any areas of concern generally, and any provisions that would require a rulemaking for implementation.
 1. Section 102: Question was raised whether rules were necessary to provide further guidance as to how the principles/factors/standards in subsection (b) would be implemented? What rules need to be implemented as a result items in (b)? It was noted that a lot of the items were considered prior to PPACA, and based on DISB's prior practice, would not necessarily need rules to be implemented.
 2. Section 103: It was noted the intent of the medical loss ratio reference in the section was intended to follow the HHS/NAIC rules defining the term.
 3. Section 104: The question was put before the Sub-Committee what types of disclosures would be appropriate for DC? What are other jurisdictions doing in this regard? Are there best practices? Members were asked to bring their responses to the next meeting.
 4. Section 106: It was clarified to meeting attendees that it is not necessarily the case that carriers file annual rates now, especially if they are not asking for changes to rates
 5. Section 107: Question was asked how do the complaint procedures in the section work with DISB's formal procedures for handling complaints? It was noted that it is a standard in

DISB to ask the carrier to hold off on action until the complaint is resolved. The Sub-Committee was asked to submit feedback with respects to formal procedures (i.e. timeframe, opportunity for insured to submit evidence).

- ii. Title II – None
- iii. Title III – Rules may need to be addressed because of the presence of words such as “shall” and the implied meaning
- iv. Title IV – Same as Title III

b. B19-0002: Discussion/Questions

- i. Does DISB's intend on submitting testimony in response to Chairperson Alexander's request? It was noted that at the first hearing 2/10/2011, Councilmember Alexander asked for DISB's input.
- ii. A stakeholder asked what Councilmember Catania's intent was with respects to introducing this bill. His staff member indicated for DC to establish Healthcare Exchange and lay out the basic framework. A number of stakeholders expressed their concern that the Bill in its current state is very general... when will it be robust and more complete?
- iii. It was noted that the bill must go through the process of DC Council to be marked-up by the PSCA Committee and then the Committee on Health.
- iv. It was noted that DC appears to be behind in implementation, although Councilmember Catania has a specific schedule to get the bill through City Council and in Congress.
- v. It was noted with the new Commissioner in place, DISB needs to seek input from him and his direction to move forward and respond to inquiries.
- vi. Members asked which issues should be addressed to the Insurance Regulations Sub-Committee and which to the Health Exchange Sub-Committee. Members were concerned about duplicating or wasting their time and efforts.
- vii. With respect to how the exchange is structured, will there be a private markets, and if so, how will adverse selection issues be addressed.

- c. The sub-committee was unable to get to Agenda items 3c,d or e, and items 4, 5, 6 or 7. They are tabled for a later discussion.

(4) Next meeting:

- a. It was decided the next meeting will take place on Wednesday, March 2 at DISB, 2:30-4pm.

b. Topics to be discussed:

- (1) What is DISB's direction with respects to the Exchange?
- (2) What are best practices with respects to governance and the structure of the exchange?