

**America's Health
Insurance Plans**

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August 5, 2016

Mila Kofman, Executive Director
DC Health Benefits Exchange
1100 15th Street, NW, 8th Floor
Washington, DC 20005

Re: Network Adequacy

Dear Ms. Kofman:

I am writing on behalf of America's Health Insurance Plans (AHIP), a national trade association representing the health insurance community, to express our support for the National Association of Insurance Commissioners' (NAIC) Health Benefit Plan Network Access and Adequacy Model Act [#74](#) (Model Act). AHIP's members, including those who provide coverage to residents of the District of Columbia, offer health and supplemental benefits through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare and Medicaid. AHIP advocates for public policies that expand access to affordable health care coverage to all Americans through a competitive marketplace that fosters choice, quality, and innovation.

As the District of Columbia Health Benefit Exchange Authority (HBX) Executive Board reviews the recommendations of the Standing Advisory Board (SAB) related to network adequacy, AHIP would like to offer its views on the Model Act, as unanimously adopted by the NAIC in November 2015. AHIP participated in the extensive dialogue among regulators, consumers, providers, carriers and other stakeholders across the health care industry during the revision process for the Model Act. The updated model is a rich document that reflects how health care is delivered today, and provides flexibility for future advances.

AHIP believes the Model Act sets forth the necessary guidance for states to develop network adequacy standards and monitor health carriers' networks. It updates the previous model, originally adopted in 1996, to be relevant and effective in the context of current coverage and to remain relevant for future health care innovation and provider networks. It preserves the states' ability to balance cost, access and geographic considerations in evaluating networks while still allowing for market flexibility, affordability of coverage, and consumer choice. It does not take a one-size fits all approach, recognizing states' needs to address their unique geographic and health care market /provider availability challenges.

While drafting notes in the Model Act contain additional ideas for states to consider within the context of their local markets, AHIP does not support further modifications to the current version of the Model Act. For example, drafting notes suggest that states consider whether to set quantitative standards or to include additional providers. Such modifications would not be

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appropriate. Prescriptive time and distance standards are outdated measures in today's health care environment given the innovative tools that plans employ to ensure access to care and augment networks, such as centers of excellence and telemedicine. The Model Act also currently captures the appropriate types of providers with whom carriers contract for health care delivery. With respect to the SAB's recommendation that wait times be considered as a factor for network sufficiency as posited in Maryland's 2016 law (i.e., House Bill 1318), wait times are a problematic measure because (1) it assumes that in a given practice area/specialty there are available, qualified, and willing providers who contract with carriers; (2) wait times are self-reported by providers; and (3) wait times are changeable and vary for new and established patients.

Since adoption, multiple states have begun looking into enacting provisions of the Model Act. AHIP believes that the NAIC has developed a revised model that updates the prior managed care model regulation to appropriately address health care delivery dynamics today and allow for future flexibility to innovate. We encourage you to consider this new language as you develop your recommendations for the District of Columbia.

Again, thank you for this opportunity to communicate with the HBX regarding AHIP's perspective on the newly revised NAIC Model Act on network adequacy.

If you have any questions, please do not hesitate to contact me at mosman@ahip.org or (202) 861-1474.

Sincerely,

A handwritten signature in cursive script that reads "Mara C. Osman".

Mara C. Osman, J.D.
Regional Director