

Health Reform: States' Role in Insurance Regulation

**Louisiana Health Care Commission
October 23, 2009**

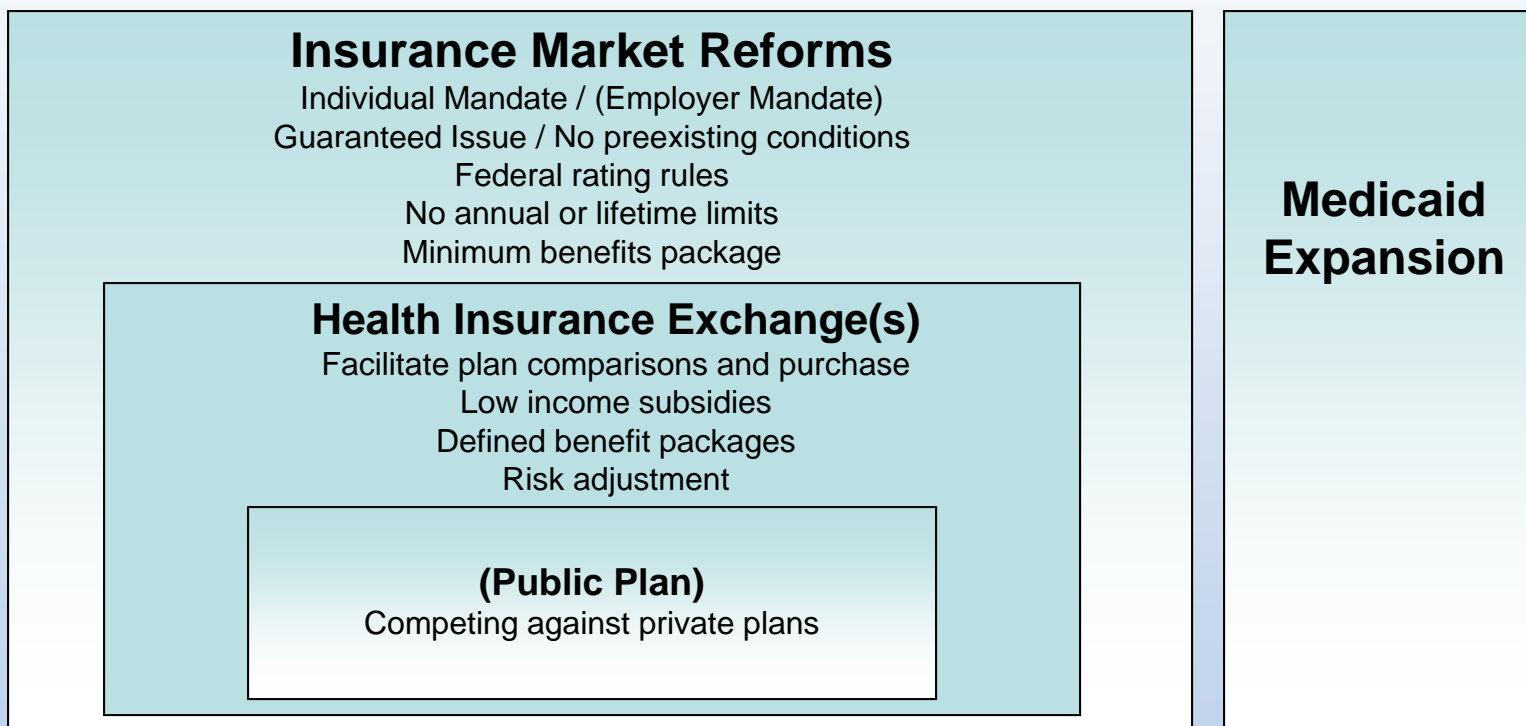
Joshua Goldberg



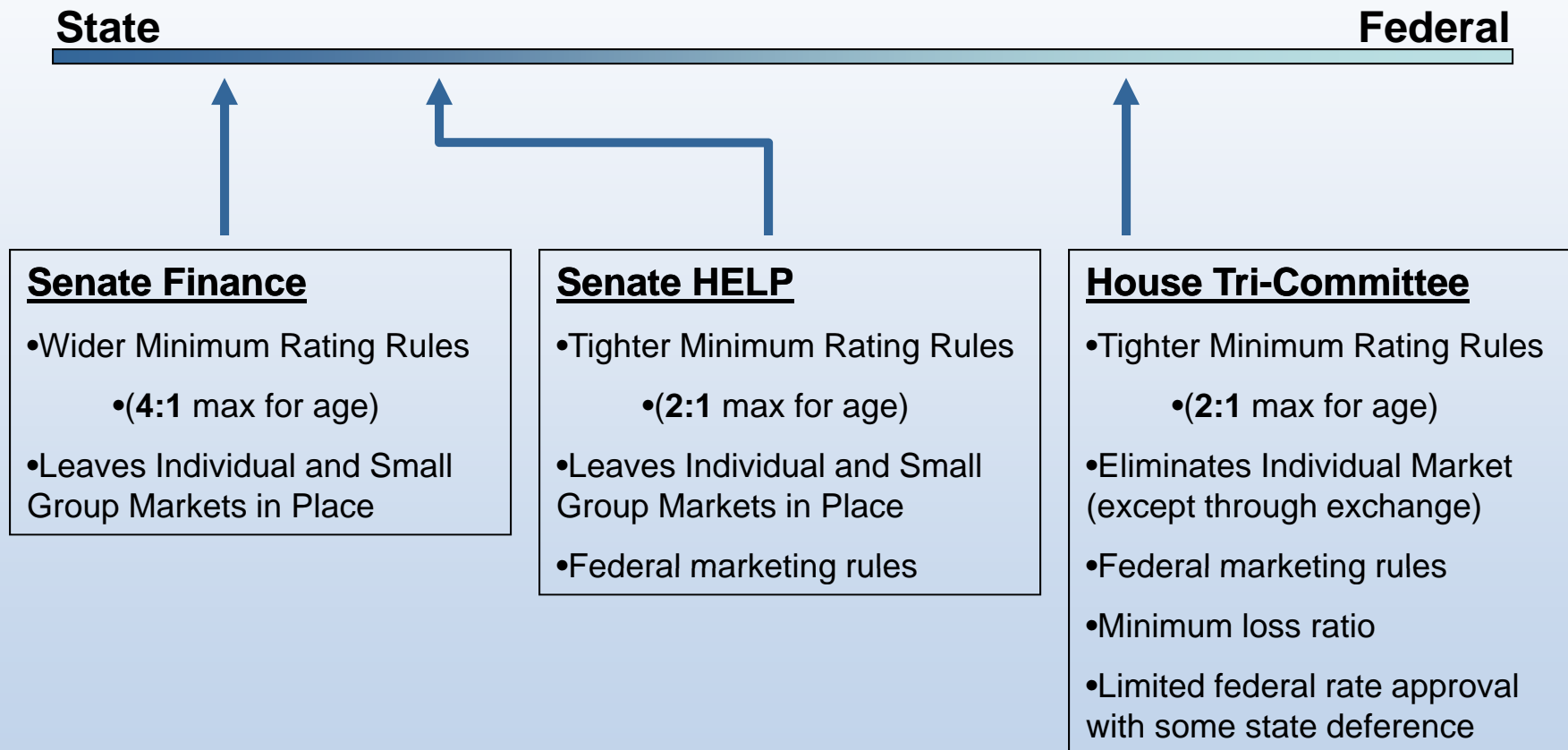
Overview

- Building Blocks
- Insurance Market Regulation
- Exchange Development and Operation
- Outside Market
- Mandated Benefits
- Public Plan Option
- Standards Development
- Enforcement
- Issues to Watch

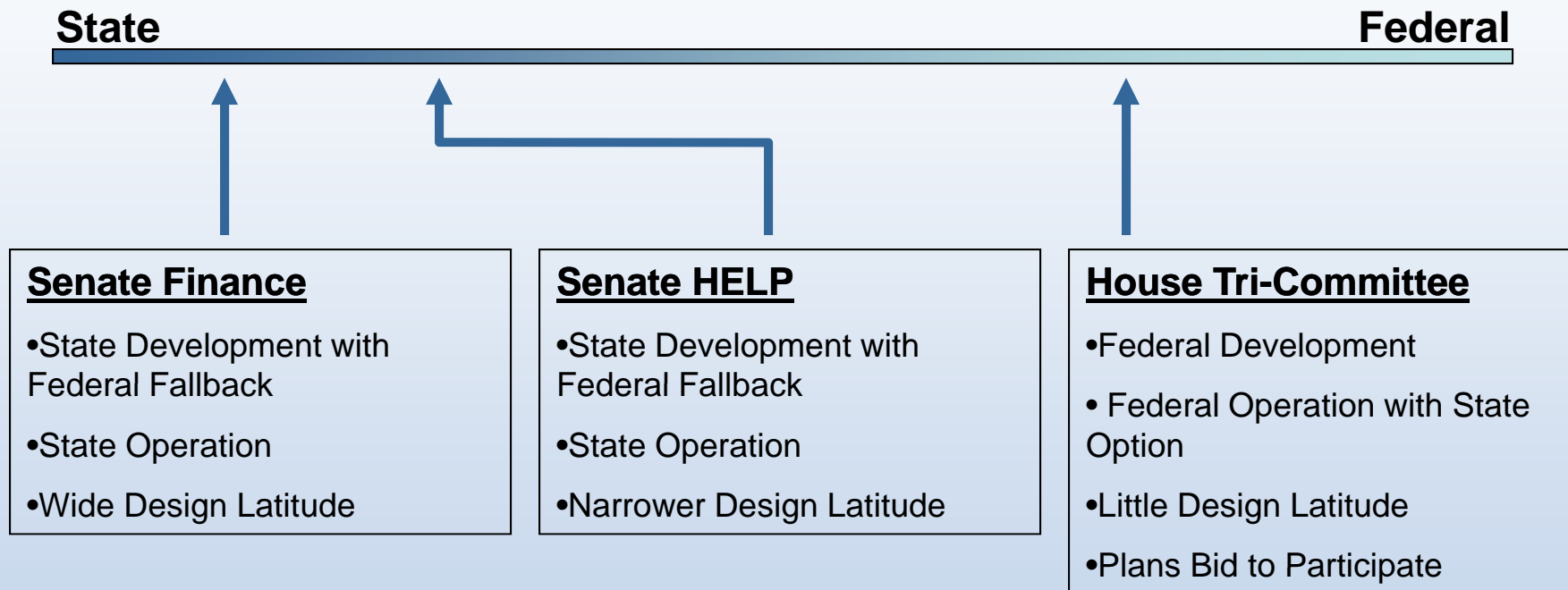
Building Blocks of Reform



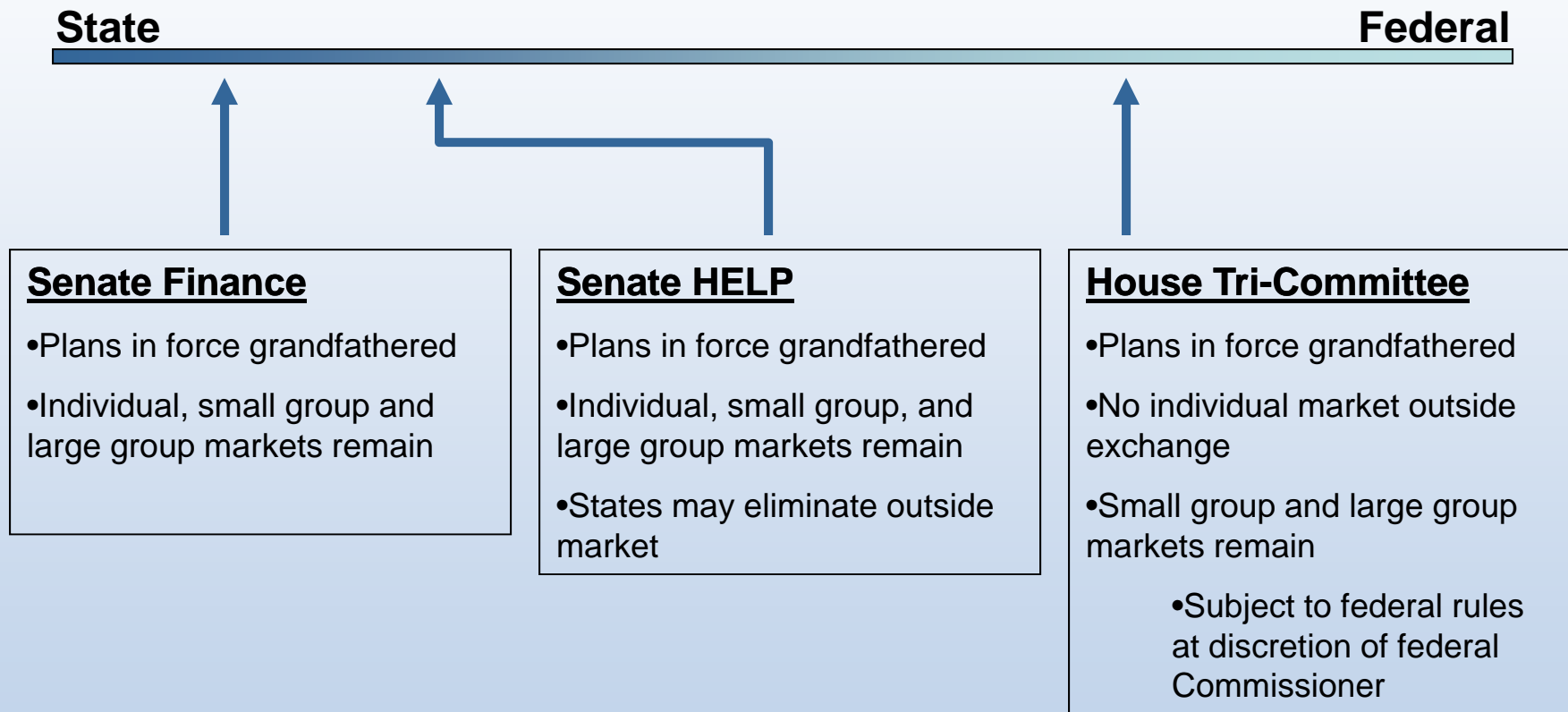
Insurance Market Regulation



Exchange Development and Operation



Outside Market



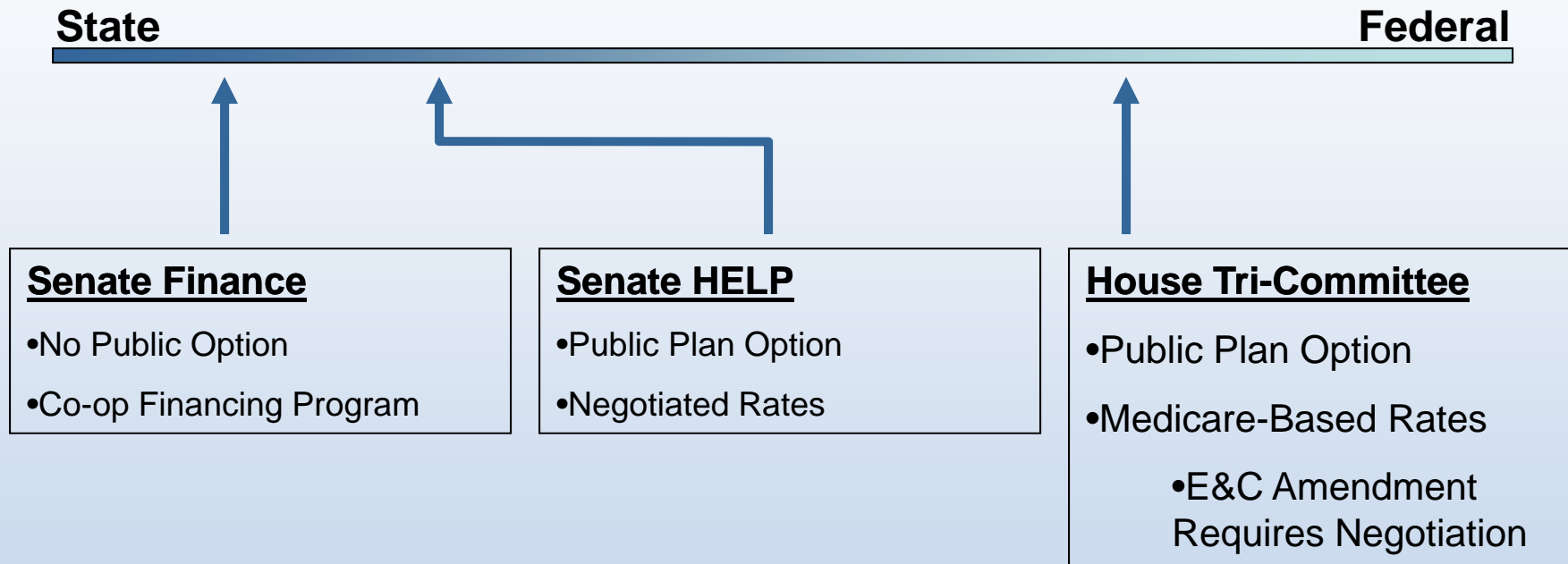
Mandated Benefits

- Federal government will set an essential benefits package
- All bills maintain state mandated benefit requirements

BUT

- States must reimburse for subsidies attributable to mandates beyond federal requirements

Public Plan Option



Standards Development: Finance

NAIC

- Reinsurance
- Minimum federal rating, access and marketing rules
- Interstate compacts
- National benefit plans
- Outlines of coverage

State Commissioners

- Soundness review of reinsurance entities
- Rating areas
- Consult on exchange enrollment applications
- Criteria for exchange plans

Standards Development: HELP

NAIC

- Consult on additional public plan requirements
- Provide recommendations on rating areas
- Develop model criteria for certification of exchange plans

Federal Rules

- Guaranteed issue
- Dependent coverage
- Exchange plan certification
- Quality improvement

Standards Development: House

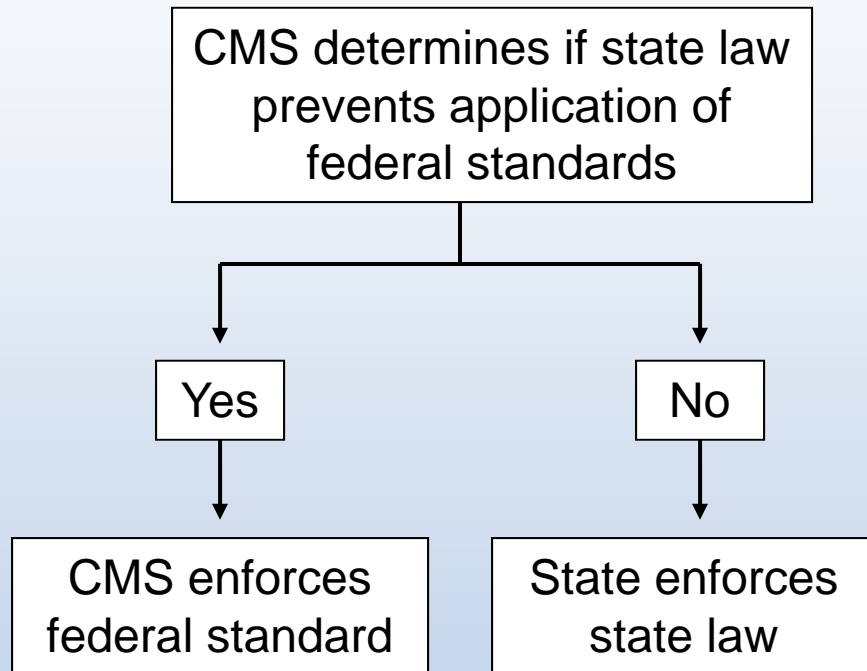
Federal Rules

- Marketing
- Nondiscrimination
- Network adequacy
- Minimum loss ratios
- Grievance and appeals
- Transparency and disclosure
- Prompt payment of claims
- COB and subrogation
- Administrative simplification

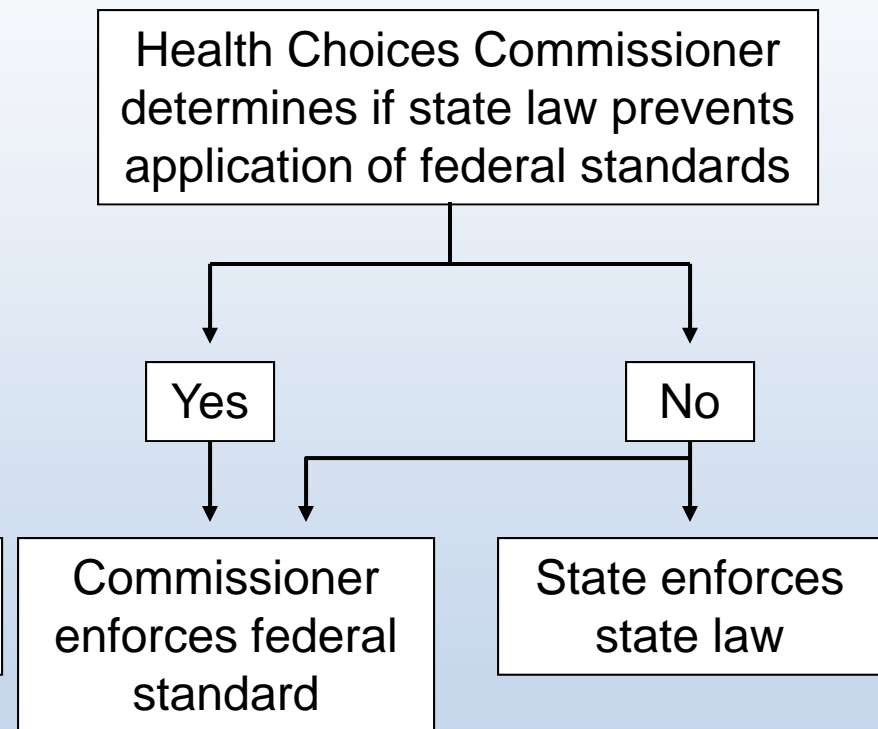
NAIC/State
Regulators
consulted on
standards
development

Enforcement

HIPAA/Finance/HELP



House Tri-Committee



Issues to Watch

- Rating Rules
- Individual Mandate Penalties
- Dual Regulation
- Interstate Sales
- National Plans
- Adverse Selection