

# OUTSIDE the Beltway

Written by Dave Kirby

## Texas Responds Favorably to Self-Insurance Industry Coalition

A major challenge to Texas employers who sponsor self-insured employee health programs was averted when the Texas Department of Insurance shelved its consideration of adopting stop-loss insurance regulations that would have followed the general framework of the NAIC Stop-Loss Model Act which SIIA has questioned in a variety of venues.

TEXAS



“Immediately after learning of the TDI proposal SIIA filed a letter questioning the need to regulate the product in the absence of any consumer complaints or demonstrated consumer harm,” said **Adam Brackemyre**, SIIA Vice President of State Government Relations. Within about five months of its regulatory foray, the TDI quietly dropped the idea.

“This policy achievement was largely due to effective coalition building, swift action and working with public officials who were willing to ask questions and listen to the entities that they regulate,” Brackemyre reported to SIIA members.

A full-scale “boots on the ground” effort by a coalition of state and national interests effectively

communicated the concerns of Texas businesses and the self-insurance industry to regulators and political leaders. The effort can serve as a model for future policy advocacy anywhere, according to SIIA member **Catherine Bresler**, Vice President of Government Relations for The Trustmark Companies of Lake Forest, Illinois.

SIIA participation in the Austin meetings included Brackemyre, Bresler, **Robyn Jacobson** of Houston TPA Entrust, **Jeff Gavlick** and **Ted Kennedy** of AIG and **Marc Marion** and **Barry Koonce** of American Fidelity. They were part of a coalition that included a cross-section of the state’s insurers, brokers, TPAs and representatives of both the Texas Association of Business and the Texas Association of Health Underwriters. “The last thing any government body wants is people coming only from elsewhere to tell them how to run their business,” Bresler said.

She was gratified to see the quick response by SIIA and others to the surprising announcement of proposed new regulations. “This first surfaced last October in the course of a usual TDI review of regulations,” she said. “Some provisions in the regulations were being updated and the stop-loss proposal came along with that.”

*“It seemed to many of us in the industry that the new regulations could have subjected self-insurers to ACA-like mandates,”*

Bresler noted. *“This caught us by surprise because Texas has always provided a reasonable business environment with balanced employer and consumer interests.”*

It wasn’t easy to participate in TDI’s first stakeholders hearing on the proposed regulation, Bresler recalls. “That meeting coincided with a torrential storm that



flooded many areas of the Southwest and made travel in Austin very difficult. Some people couldn't fly into Austin and others couldn't fly out." Even so, she says, the hearing included strong industry representation.

A second pivotal round of meetings was held, with industry representatives meeting with TDI staff and the office of Texas Governor **Greg Abbott**. "We were gratified at our reception by the governor's staff where we sensed their concern both for the state's businesses and consumer protection," Bresler said. "It seemed important to them for the state to consider whether new regulations would be implemented in the absence of consumer complaints or uncertainty."

Brackemyre noted that quick responses in advocacy and coalition building such as the Texas episode are largely made possible by active



SIIA members who stand ready to defend self-insurance against any legislative or regulatory challenges. ■

*SIIA members who wish to join the state government relations team are invited to contact Adam Brackemyre at the Washington, DC, office, (202) 463-8161 or [abrackemyre@siia.org](mailto:abrackemyre@siia.org).*

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