OUTSIDE THE BELTWAY

SIIA MEMBERS ARE VIGILANT ADVOCATES IN STATE CHALLENGES TO SELF-INSURANCE

Self-insurance, particularly self-insured employee health plans, continues to be targeted by an increasing number of states with restrictive laws, regulations or taxation schemes that trespass on ERISA protections. The threatening environment continues to test SIIA's ability to fulfill its mission to protect and promote self-insurance.

An ongoing state-by-state government relations process has taken SIIA staff and member activists to many state capitals as they advocate for beneficial measures or defend against those that could harm the self-insurance industry.

Following are summaries of diverse political issues prompting SIIA intervention in states of Oregon, Maine, New York, Nevada, Oklahoma and Delaware.

Oregon-

Department Issues Stop-Loss Data Call, SIIA Files Letter

On October 5th, the Oregon Department of Consumer and Business Services (DCBS) issued a data call letter to, "All insurers offering insurance against the risk of economic loss assumed under a less than fully insured employee health plan as described in ORS 742.065."

In the letter, the DCBS requests policy information including the policy number, the premium earned for the policy and the policy period in months. The DCBS also requested that stop-loss carriers report the average number of employees enrolled in the health plan, the average number of Oregon residents enrolled on the health plan and other average enrollment information, information which some stop-loss carriers do not have.

On October 12th, SIIA filed a letter with the DCBS asking that the department rescind its call for average health plan enrollment information and the request that policies list the policyholder's name. It is SIIA's position that the latter compromises a policyholder's privacy and is redundant because the department has also requested each policy number.

Maine-

Individual Market Reinsurance Assessments Will Begin Again

The Maine Guaranteed Access Reinsurance Association (MGARA) will renew operations in 2019. Some SIIA members have reported receiving a communication from the program administrator notifying them of the $4 per member per month assessment and how to report plan enrollment data.

Maine's individual market was in poor condition subsequent to ACA implementation. As a solution, the legislature passed, and the governor signed, legislation creating a reinsurance program for individuals with high-cost conditions using the Maine universal vaccine assessment funding source, a covered lives assessment. MGARA was active from 2012 until 2013, at which time the board voted to cease operations when the ACA reinsurance programs attempting to stabilize individual health

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insurance markets operated. In 2017, the legislature gave the board permission to recommence operation and, this August, the board voted to resume.

Some SIIA members report receiving an assessment calculation email from the entity administering the program, while others did not. If you want a copy of the email the MGARA administrator sent, please contact Adam Brackemyre at abrackemyre@siia.org.

SIIA remains concerned about health plan assessments. Speaking to a source close to the reinsurance program, self-insured lives are a large portion of Maine's market and that the legislature is not likely to make any changes until the current federal 1332 Medicaid Waiver that provided federal funding for the program expires in 2023.

New York-

SIIA Will Urge Governor to Sign Stop-Loss Legislation

SIIA expects to meet with the Governor's policy staff in New York City in the coming weeks to urge the Governor to sign legislation extending grandfathered stop-loss contracts for groups of 51-100.

As previously reported, Assembly Bill 11014/ Senate Bill 8995 would extend the grandfathering period for an additional five years, allowing stop-loss contracts that were issued on or prior to January 1, 2015 to be renewed through January 1, 2024.

If you have interest in participating in the meeting in Manhattan with the Governor's staff, please contact Adam Brackemyre at abrackemyre@siia.org.

Nevada-

Draft Small Group Stop-Loss Regulation Released

In early July, the Nevada Department of Insurance released a re-drafted small group stop-loss regulation.

There is one significant welcomed change: the dropping of a per-person aggregate requirement. However, the regulation also prohibits the issuance of a stop-loss policy to employers of fewer than 15 eligible employees, something SIIA will urge the DOI to remove.

This regulation is not final. In conversations with DOI staff, SIIA has learned the next two steps in the adoption process are an in-person meeting in Carson City (date is TBD) and proceeded by an open comment period. SIIA understands that there is a backlog of pending regulations and it is unclear when the DOI will schedule the next step in the regulatory process, the in-person meeting.

If after reviewing the draft regulation, you have comments or want to discuss further, please contact Adam Brackemyre at abrackemyre@siia.org.

Delaware-

Stop-Loss Legislation Signed by Governor

On September 4th, Governor Carney signed House Bill (HB) 406.

HB 406 allows stop-loss contracts to be issued to groups of six to 15 eligible employees. Under previous law, an employer must have 15 eligible employees to be issued a stop-loss contract.

The law was effective immediately.

Questions or information about involvement in these or other state issues are welcomed by Adam Brackemyre, abrackemyre@siia.org. ■

Oklahoma-

Stop-Loss Bulletin Re-Issued to Reflect Statutory Changes

The Oklahoma Department of Insurance recently issued LH 2018-002. This bulletin appears to be the 2013 stop-loss bulletin without any unknown changes. The known changes include a required small group stop-loss disclosure form and a minimum aggregate retention point of 110%.

These additions reflect HB 2996 of the 2016 legislative session.