



Sanford Health Plan Agent Conference

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North Dakota Insurance Department

Overview

- ▶ Legislative update
- ▶ Health care reform update
- ▶ Fraud statistics
- ▶ NARAB II
- ▶ Federal Insurance Office

Legislative update

- ▶ **SB 2304**: fingerprinting required with new resident agent applicants. Senate passed 47–0; House passed 89–3.
- ▶ **HB 1098**: disclosure of tax return information for insurance producers. House passed 86–0; Senate passed 45–0.

Legislative update

- ▶ SB 2117: marking on official state vehicles. Senate passed 45–0; House passed 90–3.
- ▶ SB 2074: insurance fraud penalties. Senate passed 44–3; House amended and passed 86–4.
- ▶ HB 1117: confidentiality of consumer assistance records. House passed 87–0; Senate passed 46–0.

Legislative update

- ▶ HB 1168: open enrollment. House passed 91–0; Senate passed amended 45–0. House passed amended 91–0.
- ▶ HB 1034: health care reform study. House passed 93–1; Senate passed 47–0.
- ▶ HB 1362: Medicaid expansion. House passed 57–36; Senate passed 33–14.

Legislative update

- ▶ HB 1145: use of insurance premium tax collections for firefighting. House passed 93-0; Senate passed 44-0.
- ▶ HB 1150: county mutual restrictions. House passed 89-0; Senate passed 47-0.
- ▶ HB 1181: domestic surplus lines insurers. House passed 88-0; Senate passed 46-0.

Legislative update

- ▶ HB 1194: short-term care insurance. House passed 88-0; Senate passed 46-0.
- ▶ HB 1196: foreign language policies. House passed 68-23. Senate passed amended 25-22. House passed amended 49-42.
- ▶ SB 2335: Portable electronics insurance. Senate failed 1-45.

Legislative update

- ▶ HB 1010: Department budget
 - 2013–2015 biennium
 - Total appropriation: \$11,040,704
 - Firefighter Association grants moved

Affordable Care Act

- ▶ 42% of Americans are unaware that the ACA is still the law of the land
- ▶ 12% percent believe the law was repealed by Congress
- ▶ 7% percent believe it was overturned by the Supreme Court
- ▶ 23% percent don't know enough to say what the status of the law is

Kaiser Family Foundation, April 2013

Health care reform update

- ▶ Navigators—proposed federal regulation
 - Cannot be a health insurer or lobbyist for health insurance issuers
 - Must comply with training regulations
 - Must register with the Marketplace
- ▶ Marketplace enrollment begins Oct. 1
- ▶ SHOP Marketplace will not offer employee choice in 2014

Role in FFM	Responsibilities
Navigators	Help establish eligibility and enroll, outreach, education, funded by federal grants
In-person assistance personnel	Same as navigator, funded through separate grants or state contracts (N/A for FFM)
Certified application counselors	Many of the same functions as Navigators
Agents and brokers	Help enroll, compensated by insurance companies or consumers (per state law)

Role in FFM	Training required
Navigators	Federal training and certification
In-person assistance personnel	N/A
Certified application counselors	Federal training and certification
Agents and brokers	Federal training and certification

Agents, producers, web brokers in Marketplace

- ▶ Must obtain ID # from Marketplace through registration
- ▶ Must complete an online training course
- ▶ All state laws apply—licensure, appointments, CE

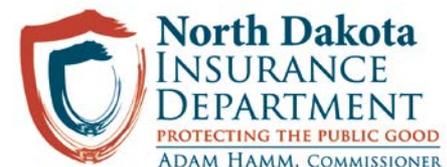
“Brokers must evolve and grow a strong advisory spine.

They must push benefits clients and financial buyers who are reluctant and change-averse to adopt programs that do not merely shift costs but also drive sustained affordability.

And they need to serve a greater public good and commit to wellness planning.”

Mike Turpin

Executive Vice President And National
Practice Leader of USI Insurance Services



*** WARNING ***

- ▶ The Insurance Department is not an employee benefits or tax expert. Employers should review U.S. Internal Revenue Service (IRS), U.S. Department of Labor (DOL) and U.S. Health and Human Services (HHS) guidance on all employer issues related to health care reform.
- ▶ Many accounting firms are also able to assist small businesses.

Coming up in 2014

- ▶ Guaranteed issue
- ▶ Market rating rules (smoking, age, geography)
- ▶ Individual mandate
- ▶ Employer penalties
- ▶ Employer tax credits continue
- ▶ Essential Health Benefits in non-grandfathered plans (small group and indiv.)
- ▶ Medicaid expansion

Visit www.nd.gov/ndins for more health care reform information

- Businesses
- Consumers
- Timeline
 - FAQs

More resources

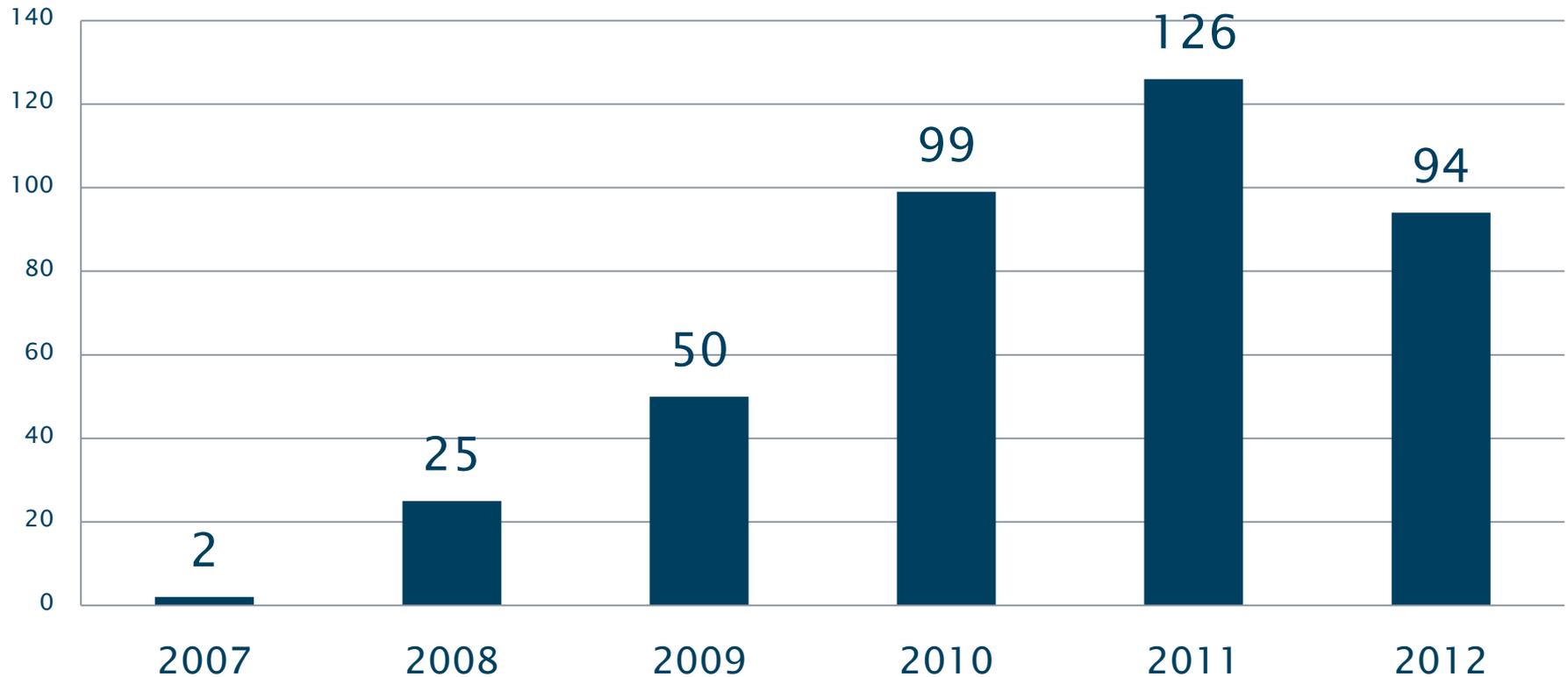
www.IRS.gov

www.CCIO.cms.gov

www.healthcare.gov

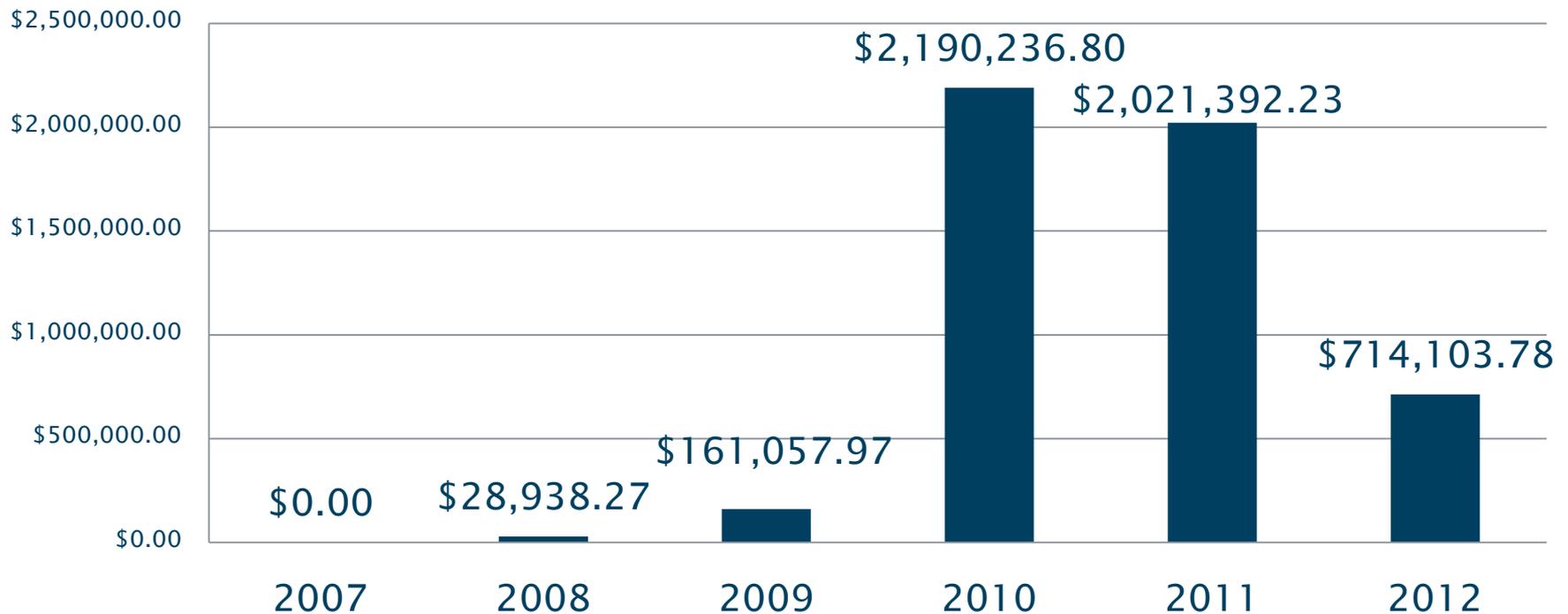
Fraud statistics

Reports to NDID Fraud Unit
By Date Reported



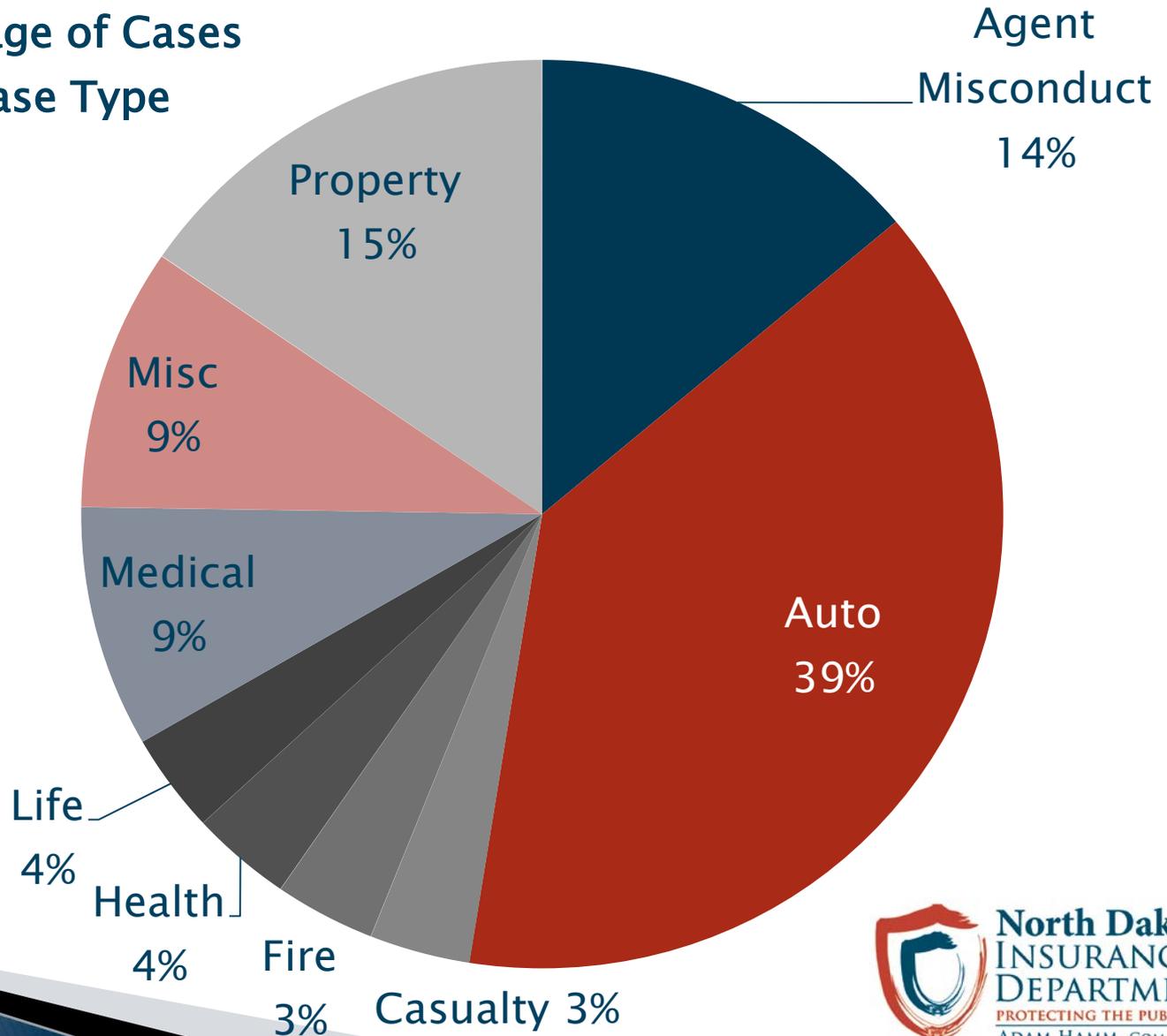
Fraud statistics

Reports to NDID Fraud Unit
Actual Loss Amounts



Fraud statistics ('07-'12)

Percentage of Cases
By Case Type



NARAB II

- ▶ National Association of Registered Agents and Brokers Reform Act pending before Congress
- ▶ Intended to preserve state-based insurance regulation and consumer protections
- ▶ 8 of the 13 board members must be state insurance regulators
- ▶ NARAB would have no regulatory authority

NARAB II

- ▶ Similar legislation has passed the House twice
- ▶ Broad support



NARAB II

- ▶ NAIC worked with industry producer groups to reach a carefully crafted consensus on the legislative language
- ▶ As long as the language remains unchanged, the NAIC will continue to support the legislation
- ▶ NARAB membership would be optional for producers

Federal Insurance Office report

- ▶ Mandated by Dodd–Frank
- ▶ Report will focus on insurance regulatory modernization and the reinsurance market
- ▶ Was due January 2012
- ▶ May 2012: will be released “in the near future”
- ▶ April 2013: “expected before July”

“Stay in your
own lane.”

NAIC CEO Ben Nelson to FIO

North Dakota Insurance Department

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