

TESTIMONY

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Before: Health Care Reform Review Committee
Representative George Keiser, Chairman

Date: September 4, 2013

Good morning, Chairman Keiser and members of the Health Care Reform Review Committee. My name is Adrienne Riehl and I am Legal Counsel with the North Dakota Insurance Department. The North Dakota Insurance Department was asked to give an update on the insurance plan filings for 2014 and any new items related to the Affordable Care Act (ACA) implementation and an update on the National Association of Insurance Commissioners (NAIC).

Health Insurance Filings

The U.S. Department of Health and Human Services (HHS) informed the state in March that all individual and small business product filings that wanted to be offered both on and off the Marketplace (formerly the Exchange) must be approved by states by July 31. As of August 1, the Department had approved the following filings:

Major Medical On and Off the Marketplace Filings – 27
Medica Health Plan – 8
Sanford Health Plan – 4
Blue Cross and Blue Shield of North Dakota – 15

Dental Filings On and Off the Marketplace and Certified – 15

- Best Life and Health Insurance Company – 2
- The Guardian Life Insurance Company of America – 2
- Delta Dental – 4
- Dentegra Insurance Company – 4
- Renaissance Life & Health Insurance Company of America – 3

Within each of these filings, there are a variety of different benefit plan choices that the consumer will be able to choose from.

As mentioned in Deputy Commissioner Ternes' testimony at the last meeting, the Department has not and will not be releasing premium rate data or comparing previous rates to 2014 approved rates. Premium rates are very complex in their make-up and their application to policyholders. Comparing rates between different plans or between plans from previous years is impossible to do with any accuracy. All Marketplace rates and forms will be made public by HHS online on October 1.

We were recently informed by HHS that all off-Marketplace filings for individual products must be approved by September 30. We are currently assessing whether or not this will be problematic for our insurance carriers or our filing staff.

The effect of these HHS filing approval deadline decisions is to cut off the ability for insurance carriers to submit new or revised products to the Department at any time other than once a year as prescribed by HHS. This is a significant change for our industry.

ACA Implementation Update

The federally facilitated Marketplace (FFM) is scheduled to begin operations on October 1. It will offer health insurance for individuals and small groups for plans effective January 1, 2014. Open enrollment for this first year runs until March 31, 2014. In 2015,

open enrollment will begin October 15 and end December 7, the same as the current Medicare Part D plan enrollment.

Because North Dakota is not running the FFM, the Insurance Department is only monitoring its development. We are receiving requests for information from consumers, businesses and others about the FFM and have been providing basic information and referrals to our website and the federal websites. We also encourage policyholders to contact their insurers and their health insurance agents. Navigator contacts will be added when we are provided that information.

In upcoming weeks, we are working to ensure our website is updated with all relevant ACA information, contact points for services from the FFM and information on how to report fraud. We will continue to track the type and number of questions and requests from policyholders and expect to be in contact with the FFM about complaint issues.

In general the Department is hearing from carriers and agents that they are working feverishly to be ready for October 1 and January 1. Training is available through companies, HHS and other knowledgeable parties for those entities that want to be better prepared and to better understand health insurance options both in and out of the Marketplace.

NAIC

Commissioner Hamm and several staff attended the recent NAIC national meeting in Indianapolis, Indiana, a week and a half ago. I did not attend. As members of the National Conference of Insurance Legislators (NCOIL), Chairman Keiser and Representative O'Connell also attended.

The meeting included many small sessions that focused on healthcare reform including sessions discussing new small group model law revisions, potential fraud related to reform and various topics related to state-run and federally-run Marketplaces.

Department staff covered most of these meetings and continue to be on weekly calls with all states and territories regarding health care reform. Should any new model laws or other guidance be finalized that we feel would benefit our state, we will bring it to future meetings of this committee or the 2015 Legislative Assembly.

Thank you and I would be happy to answer any questions.