

## TESTIMONY

**Presented by:** Rebecca Ternes  
Deputy Commissioner  
North Dakota Insurance Department

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

**Date:** May 14, 2014

Good morning Chairman Keiser and members of the committee. My name is Rebecca Ternes and I am the Deputy Commissioner at the North Dakota Insurance Department.

I was asked to present information on the number of enrollees on the Federally-Facilitated Marketplace (FFM), formerly known as the Exchange as well as provide some thoughts on how the Insurance Department will handle the 2015 health insurance plan filings. I will also update you on another announcement on transitional policies.

### **Federally-Facilitated Marketplace (FFM) Enrollment**

The attached chart indicates Marketplace enrollment as of the beginning of May according to reports sent to us by the three companies selling on the Marketplace (Blue Cross Blue Shield of North Dakota, Medica and Sanford Health Plans). The numbers provided are for ~~%~~effectuated+policies. In other words, people have not only said they want the policy, but they have paid premiums towards the coverage.

The federal number included on the chart is as of mid-April and indicates a higher total number of 10,597 because this number is for people who ~~%~~selected+a plan, but may not have paid premium. The total number of lives covered from the figures reported to us directly from the insurers is 8,374.

I also want to point out that the chart handed out at the last committee meeting was partially incorrect. Some of the insurers misunderstood the Department's request for numbers, so please disregard the March 5, 2014, chart.

### **2015 Health Insurance Policies**

The Department's product filing professionals have worked closely with the health insurers over the past year on the existing policies as well as discussing the 2015 filings.

The companies have not indicated any major changes will be coming to the policies and we have no indication of any new companies offering plans on the FFM or in the external market. Companies have been provided guidelines and timeframes to submit their 2015 plans.

All major medical, dental and vision policies must be submitted to us by June 6, 2014. The Department will continue to accept filings after this date but is not able to guarantee review or approval to meet federal deadlines. Similar to last year, the Department has not placed a limit on the number of products in the market.

### **Transitional Policies**

In early March, President Obama announced another extension for the non-ACA compliant, transitional policies that should have been cancelled on January 1, 2014. The announcement said, if the state's insurance commissioner allowed it, these policies could be extended another two years.

Commissioner Hamm recently announced he would allow those insurers that renewed policies the first time to do so again. In other words, non-grandfathered, non-ACA compliant policies that were extended by carriers in late 2013 can now also be extended

on renewing policies through October 1, 2016. This could allow some policyholders to keep their policy into 2017.

Also allowed in this announcement was the ability for state insurance commissioners to extend this transitional policy to large businesses that currently purchase insurance in the large group market but that, for policy years beginning on or after January 1, 2016, will be redefined as small businesses purchasing insurance in the small group market. This would be employers employing 51-100 employees. Commissioner Hamm is also allowing this extension.

That concludes my testimony and I would be happy to take any questions at this time. Thank you.