

## Congress Passes Policyholder Protection Act, Reaffirms State Regulation

On December 18, as part of omnibus federal spending legislation, Congress passed the critically important *Policyholder Protection Act of 2015*—and so reaffirmed the need for state insurance regulators to determine what's best for insurance consumers and companies in their states. NCOIL urged Congress to pass the legislation back in March, calling it a "common-sense" approach in today's challenging insurance marketplace.

The *Policyholder Protection Act*, which the House approved in November, moved through the Senate on December 18. The legislation makes clear that state regulators have the final say in whether the assets of an insurer, however it is structured, should be used to strengthen the finances of an affiliate or other (cont. on page 4)



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**SPRING MEETING**  
February 26 to 28  
Little Rock, AR  
[www.ncoil.org](http://www.ncoil.org)



## NCOIL Plans Debate on Controversial Health Insurance Model Acts

On February 26 at the NCOIL Spring Meeting, legislators will extend their debate of model laws looking to reform health insurance markets in light of Affordable Care Act (ACA) and other factors. The proposals—addressing provider directories, out-of-network providers/network adequacy, and telemedicine reimbursement and licensure—will highlight the 3:30 to 5:00 p.m. Health, LTC & Health Retirement Issues Committee meeting.

The proposed *Model Act Regarding Network Adequacy and Use of Out-Of-Network Providers* is

based on a well-regarded 2014 New York State law that establishes various consumer protections. The proposal, sponsored by Sen. James Seward (NY), would promote network adequacy, require disclosure of estimated out-of-pocket costs for frequently billed out-of-network services, allow a consumer to appeal an insurer's denial-of-treatment because the provider would be out-of-network, and mandate contact information and other disclosures related to hospitals, physicians, and other entities that may treat a consumer. (cont. on page 2)

## Legislators to Look at Auto Insurance Market, "Affordability" Impact

NCOIL lawmakers at their 2016 Spring Meeting will explore what's happening in the auto insurance market today and whether consumers and insurers are on the same page when it comes to defining "affordable." The Friday, February 26, general session, slated from 10:00 to 11:30 a.m., will include discussion of what the Federal Insurance Office (FIO) thinks "affordability" means and how that definition affects low-income and minority consumers. In addition, the session will consider how insurer use of "big data"—like social media and shopping activity—and price opti-

mization factor in and will look at what's happening to frequency and severity of losses.

Speakers in the *Auto Insurance: What's Happening in the Market? What Does it Mean to be Affordable?* panel will represent economic, auto insurer, and consumer perspectives, among others viewpoints. The NCOIL Spring Meeting will take place in Little Rock, Arkansas.



## 2016 NCOIL Committee Leadership

### Financial Services & Investment Products

C: Rep. Bob Hackett (OH)  
VC: Del. Harry Keith White (WV)

### Health, LTC & Health Retirement Issues

C: Assem. Kevin Cahill (NY)  
VC: Rep. Ken Goike (MI)

### International Insurance Issues

C: Sen. Dan "Blade" Morrish (LA)  
VC: Rep. Joe Fischer (KY)

### Life Insurance & Financial Planning

C: Sen. Mike Hall (WV)  
VC: Sen. David O'Connell (ND)

### NCOIL-NAIC Dialogue

C: Rep. Steve Riggs (KY)  
VC: Rep. George Keiser (ND)

### Property-Casualty Insurance

C: Rep. Matt Lehman (IN)  
VC: Assem. Will Barclay (NY)

### State-Federal Relations

C: Sen. Robert Hayes, Jr. (SC)  
VC: Rep. Kurt Olson (AK)

### Workers' Comp Insurance

C: Sen. Jerry Klein (ND)  
VC: Rep. Marguerite Quinn (PA)

### Articles of Organization and Bylaws Revision

C: Sen. Jerry Klein (ND)  
VC: Rep. Ron Crimm (KY)

#### Members:

Sen. Jason Rapert (AR)  
Rep. Steve Riggs (KY)  
Sen. Dan "Blade" Morrish (LA)  
Sen. Neil Breslin (NY)  
Sen. James Seward (NY)  
Sen. Mike Hall (WV)



## NCOIL Plans Debate on Controversial...

(cont. from page 1)

The version considered at the Spring Meeting may differ to some degree from the draft vetted at the November Annual Meeting. At that time, Committee members discussed the possibility of adding quantitative measures for determining network adequacy, as well as adding New York dispute resolution provisions, though the Committee tentatively had planned to add those provisions to a 2011 NCOIL balance billing model.

The draft *Model Act to Ensure Meaningful Access to Accurate Provider Directories*, which was brought forward by the American Medical Association (AMA),

would, among other things, require insurance department approval of insurance company provider directories as well as of annual updates. The proposal, sponsored by Rep. Deborah Ferguson (AR), also would identify various contact and other information that must be included in a directory, such as whether physicians and other providers are accepting new patients, and would set rules for publishing updated listings.

The proposed *Model Telemedicine Reimbursement Act* would require coverage for telemedicine services that would be on par with coverage for in-person

treatments. The proposal, brought forward by the AMA and sponsored by Rep. Brian Kennedy (RI), would prohibit insurers from excluding coverage for a service solely because the service is provided through telemedicine, among other provisions.

In addition, a proposed *Model Telemedicine Licensure Act* would, in part, require physicians treating patients to be licensed in the state in which the patient receives care, as well as to be regulated by that state's Board of Medicine. The model also is sponsored by Rep. Brian Kennedy (RI).

## NCOIL Committees Set Game Plans for 2016

Below are highlights of the 2016 charges adopted by NCOIL committees at the November NCOIL Annual Meeting. Further details regarding committee charges are available at [www.ncoil.org](http://www.ncoil.org).

### Financial Services & Investment Products

cyber-security • CFPB • pensions • Dodd-Frank implementation • lender-placed insurance

### Health, LTC & Health Retirement Issues

out-of-network/adequacy • telemedicine • provider directories • balance billing • ACA implementation

### International Insurance Issues

IAIS initiatives/transparency • consensus among U.S. reps • trade • accounting standards • work with NAIC

### Life Insurance & Financial Planning

DOL fiduciary rule • unclaimed benefits • PBR • life insurance illustrations • captives • annuities

### Property-Casualty Insurance

"big data"/NCOIL ins. scoring model • towing companies • "sharing" economy • TNCs • replacement cost estimates • price optimization • flood insurance

### State-Federal Relations

FIO/FACI initiatives • producer licensing/NARAB II • TRIA data collection • IIPRC • NAIC accreditation

### Workers' Compensation Insurance

opt-out systems • NCOIL PEO model • changing workforce • independent contractors • opioid abuse



## NCOIL Spring Meeting Tentative Schedule

### FRIDAY, FEBRUARY 26

7:30 a.m.	-	5:00 p.m.	Registration
8:00 a.m.	-	10:00 a.m.	Welcoming Breakfast: All Attendees
10:00 a.m.	-	11:30 a.m.	<i>Auto Insurance General Session</i>
11:30 a.m.	-	12:30 p.m.	NCOIL-NAIC Dialogue
12:30 p.m.	-	1:45 p.m.	Keynote Luncheon
2:00 p.m.	-	3:30 p.m.	State-Federal Relations & Financial Services Committees <i>Discussion of Dodd-Frank Impacts on Insurance</i>
3:30 p.m.	-	5:00 p.m.	Health, LTC & Health Retirement Issues Committee
5:00 p.m.	-	6:00 p.m.	IEC Board Meeting
6:30 p.m.	-	7:30 p.m.	Sponsored reception in conj. with NCOIL meeting

### SATURDAY, FEBRUARY 27

7:30 a.m.	-	1:30 p.m.	Registration
8:00 a.m.	-	9:15 a.m.	Property-Casualty Insurance Committee
9:15 a.m.	-	10:15 a.m.	International Insurance Issues Committee
10:15 a.m.	-	11:45 a.m.	<i>Health Exchange General Session</i>
11:45 a.m.	-	1:00 p.m.	NCOIL Institute for Insurance Policy: Legislator Luncheon Workshop
1:00 p.m.	-	2:15 p.m.	Workers' Compensation Insurance Committee <i>Pre-Hearing Discussion of Opt-Out WC Model Legislation</i>



### SUNDAY, FEBRUARY 28

7:30 a.m.	-	9:00 a.m.	Registration
8:00 a.m.	-	9:00 a.m.	Life Insurance & Financial Planning Committee
9:00 a.m.	-	10:00 a.m.	Executive Committee
	-	10:00 a.m.	Adjournment

## Health Exchanges to Highlight Discussion at NCOIL Spring Meeting

As health insurance exchanges celebrate their third anniversary, legislators at the Little Rock NCOIL Spring Meeting will consider how markets compare on and off exchanges and will explore who's enrolling for exchange coverage. The Saturday, February 27, panel discussion, entitled *Health Insurance Exchanges at Year Three: Where Are We Now and What Will the Future Hold?* also will look at the financial implications of running a state-based exchange, as 13 states and the District of Columbia do. For instance, is it possible for state exchanges to cover

costs in the long-term? Would transitioning to a federally facilitated system make more economic sense?

Speakers at the 10:15 to 11:45 a.m. session will offer case studies of exchange experiences—including how politics is causing

one state to change course—and analyze the good and bad of what states have accomplished. Panelists are anticipated to represent academia and exchange perspectives, among others.

The Spring Meeting will take place in Little Rock, AR.

### Make Your Way to the NCOIL Spring Meeting!

Little Rock, Arkansas  
February 26 to 28, 2016  
Little Rock Marriott

Registration & tentative schedule at [www.ncoil.org](http://www.ncoil.org) — more info coming soon!

Low rates won't last forever!



## 2016 NCOIL Committee Leadership

### Audit

C: Rep. Steve Riggs (KY)  
VC: Rep. Don Flanders (NH)

### Members:

Sen. Jason Rapert (AR)  
Sen. Neil Breslin (NY)  
Rep. Bill Botzow (VT)  
Rep. Kathie Keenan (VT)

### Budget

C: Rep. Bill Botzow (VT)  
VC: Rep. Kathie Keenan (VT)

### Members:

Sen. Jason Rapert (AR)  
Rep. Ron Crimm (KY)  
Rep. Steve Riggs (KY)  
Sen. Dan "Blade" Morrish (LA)  
Rep. George Keiser (ND)  
Sen. Neil Breslin (NY)  
Rep. Brian Kennedy (RI)

### Business Planning

C: Sen. Travis Holdman (IN)  
VC: Rep. Steve Riggs (KY)

### Members:

Sen. Jason Rapert (AR)  
Sen. Dan "Blade" Morrish (LA)  
Sen. Neil Breslin (NY)  
Rep. George Keiser (ND)  
Rep. Marguerite Quinn (PA)  
Sen. Robert Hayes, Jr. (SC)  
Rep. Bill Botzow (VT)  
Rep. Warren Kitzmiller (VT)  
Sen. Mike Hall (WV)

### Insurance Legislators' Foundation (ILF) Board

C: Sen. Travis Holdman (IN)  
V. Pres.: Rep. Steve Riggs (KY)  
Sec./Treas.: Sen. Jason Rapert (AR)

### Board Members:

Sen. Neil Breslin (NY)  
Rep. Bill Botzow (VT)

The following are discontinued or responsibilities folded into other committees:

- Ad Hoc Strategic Planning WG
- International Issues TF
- Legislators' Roundtable
- Membership Committee
- Past President Advisory Comm.



## NCOILetter

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## Congress Passes Policyholder Protection Act...

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related entity. As noted in the March 18 NCOIL letter to the bill's sponsors—Senators David Vitter (R-LA) and Jon Tester (D-MT) and Congressmen Bill Posey (R-FL) and Brad Sherman (D-CA)—the *Policyholder Protection Act* “wisely recognizes” that caring for consumers should be paramount and “holds true to the belief that insurers with strong balance sheets should not be required to shore up, at their own hazard, the finances of less prudent corporate relations.”

“State officials—who establish the rules that insurers must follow—are the most appropriate arbiters of insurers’ financial strength and ability to pay claimants,” NCOIL wrote.

The letter was signed by the four NCOIL officers in

advance of an anticipated March 19 introduction of the *Policyholder Protection Act*. NCOIL joined the National Association of Insurance Commissioners and insurance industry representatives, among others, in supporting the legislation.

Also included in the spending legislation was language that delays for two years a controversial Affordable Care Act (ACA) excise tax on so-called “Cadillac” plans, which critics say offer overly generous benefits. Under the ACA, any health plan that costs more than \$10,200 for an individual and \$27,500 for a family will be taxed 40 percent on the amount of premium that’s above the threshold. The tax was slated to take effect in 2018. As per the budget bill, the new effective date is 2020.