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NCOIL Spring Meeting
March 5th—8th
Charlotte, NC

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Rep. Matt Lehman, IN
President



Thomas B. Considine
NCOIL CEO



Asm. Ken Cooley, CA
Vice President

FROM THE PRESIDENT'S DESK IN REP. MATT LEHMAN, NCOIL PRESIDENT

Welcome to my first quarterly newsletter column as NCOIL President.

Following the leadership of Louisiana Senator Dan “Blade” Morrish, we concluded a very productive 2019. Now, NCOIL is starting off the new year strong, thanks to our fearless leader, Sen. Morrish, and everyone participating in the crucial debates and discussions throughout the year. We will continue the upward trend for 2020.

After 14 years in local government, I was elected to the Indiana General Assembly in 2008. I first started coming to NCOIL Meetings in 2009, and I’ve have been to every meeting since then. I am the former Chairman of the House Insurance Committee. I currently serve as the House Majority Floor Leader. I also serve on three committees in the House—Insurance, Public Policy and Financial Institutions committees.

As the co-owner of Bixler Insurance, I specialize in commercial insurance ranging from main street merchants to large manufacturing. I also work closely with small and large agribusiness exposures, as well as all aspects of personal lines insurance.

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NCOIL ADOPTS DRUG PRICING TRANSPARENCY MODEL ACT

At the recently concluded 2019 NCOIL Annual Meeting in Austin, TX, the organization adopted the NCOIL Drug Pricing Transparency Model Act sponsored by Texas Representative Tom Oliverson, M.D., 2019 Health Committee Vice-Chair, and co-sponsored by Louisiana Sen. Dan “Blade” Morrish, former NCOIL President. The measure passed without objection on a voice vote and was affirmed by the NCOIL Executive Committee.

TX Rep. Oliverson said, “I want to thank everyone involved for their input. The NCOIL Drug Pricing Transparency Model Act has come a long way since the topic was first discussed in March of 2018. I am proud to have sponsored this measure, along with similar legislation that has been enacted in my home state of Texas, and I am pleased with the hard work the Committee has done to meet the objectives of ensuring that policymakers are doing everything they can to help states understand why prescription drug prices are increasing.”

LA Sen. Blade Morrish said, “I want to express my appreciation to Rep. Oliverson for his work on this and echo what Rep. Oliverson stated. The Model language allows for everyone to learn from one another and more quickly put into place legislation and practices that will effectively serve to support incentives and hold all participants in the delivery of healthcare to the same standards of accountability,” he concluded.

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Asm. Kevin Cahill, NY
Treasurer



Rep. Joe Fischer, KY
Secretary



Sen. Jason Rapert, AR
Immediate Past President



Sen. Travis Holdman, IN
Immediate Past President

President's Desk Cont'd

What I really like about coming to NCOIL meetings is that we cover such a wide variety of topics in all seven policy committees along with some very intriguing general sessions. At the conclusion of the National Meetings, I can come home and apply the knowledge to my everyday life whether it be as a legislator, an Insurance Broker, or a consumer.

Over the course of 2019, we had close to 1,000 participants at the 3 NCOIL meetings including more than 160 legislators from 33 states. We look forward to continuing to grow in 2020 with both more states and legislators participating.

As of writing this, we are on roughly the same pace with the number of attendees from the Spring Meeting in Nashville last year. There are 43 legislators from 15 states registered, 5 Insurance Commissioners and 10 departments represented.

At the upcoming Spring Meeting, we will consider adopting the NCOIL Rebate Reform Model Act, the NCOIL Insurance Business Transfer (IBT) Model Act, the NCOIL E-Commerce Model Act, the NCOIL E-Titling Model Act, and the proposed Amendments to the NCOIL Market Conduct Surveillance Model Act. Discussions will continue on the NCOIL E-Scooter Insurance Model Act, the NCOIL Private Flood Insurance Model Act, the NCOIL Short Term Limited Duration Insurance (STLDI) Model Act, the NCOIL Health Care Sharing Ministry (HCSM) Registration Model Act, the NCOIL Patient Dental Care Bill of Rights Model Act, and the NCOIL Vision Care Services Model Act. Also, two new concepts for NCOIL Model Laws will be introduced: an NCOIL Paid Family Leave Income Replacement Benefits Model Act, and an NCOIL Model Act Concerning Statutory Thresholds for Settlements Involving Minors.

I plan on spending time as NCOIL President focusing on the overall growth of the organization by getting new states and new legislators involved. As you may know, I was one of the driving forces behind the new dues structure and the legislator stipend program, going into effect this year.

In many states, legislators' travel expenses are extremely limited or are paid entirely out-of-pocket. The stipend program works in part with the new state dues structure by allocating funds for states to send two legislators per meeting, in an effort to encourage attendance and spike interest amongst interested parties. We will be closely monitoring the new dues structure and stipend program to make any necessary adjustments and to ensure its long-term success. Please reach out to the NCOIL National Office with any questions.

I am dedicated to ensuring that NCOIL continues to produce sound public policy in the form of model laws for states to adopt and adjust accordingly to meet their needs. As many of you all saw at our December meeting in Austin, 2020 promises to be a very busy year in terms of the number of model laws set for development and adoption.

I look forward to your participation and seeing you at the Spring Meeting in Charlotte. Please do not hesitate to share your ideas or thoughts with me in March and throughout the year.

Matt

**Click below to register for the 2020 Spring Meeting
Charlotte, NC March 5th—8th**



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Drug Pricing Transparency Model Cont'd

The topic of drug pricing transparency was introduced at the 2018 Spring Meeting in Atlanta, where then NCOIL Vice President, Vermont Representative Bill Botzow, and then NCOIL Secretary, California Assemblyman Ken Cooley, had presented laws from their respective states for distribution to the Committee. Their legislation focused on reporting and notification requirements for prescription drug manufacturers.

With the departure of VT Rep. Botzow from the legislature, the starting point for a framework on an NCOIL Drug Pricing Transparency Model Law was delayed until the 2018 Annual Meeting in Oklahoma City, where the Model was introduced for initial discussion. TX Rep. Oliverson chose to use provisions from the drug pricing transparency laws already enacted in Louisiana and Connecticut to start the discussion.

NCOIL worked closely on the Model with interested parties such as the Pharmaceutical Research and Manufacturers of America (PhRMA), the Pharmaceutical Care Management Association (PCMA), America's Health Insurance Plans (AHIP), and several consumer advocates over the course of the past year. The purpose of the Model is to promote prescription drug pricing transparency and cost control.

Highlights of the Model include the requirement for drug manufacturers to report price increases over a certain threshold (sixty percent or greater over the preceding five calendar years or fifteen percent or greater in the preceding twelve months for drugs over \$70 per month) as well as a statement of rationale regarding the factor or factors that caused the increase; the requirement for pharmacy benefit managers to report the aggregated dollar amount of rebates, price protection payments, fees and any other payments collected from pharmaceutical manufacturers that were retained as revenue by the PBM; and the requirement for health insurers to report the percent increase in annual net spending for prescription drugs across all plans and the percent increase in premiums that were attributable to prescription drugs across all plans. The Model requires this and other information to be reported to the State Insurance Commissioner who is then required to publish the data in an appropriate location on the Insurance Department's internet website.

"This is exactly why the work of this Committee is so important. The NCOIL Drug Pricing Transparency Model is so timely. The most important thing for patients is that they really need to know how much the drug costs when they go to the pharmacy, and NCOIL believes that policymakers have a right to know about cost changes and factors that caused increases in wholesale acquisition costs," said Commissioner Tom Considine, NCOIL CEO.

A full copy of the model can be viewed [here](#).

NCOIL ADOPTS WORKERS' COMP DRUG FORMULARY MODEL ACT

During the 2019 NCOIL Annual Meeting in Austin, TX, the organization adopted the NCOIL Workers' Compensation Drug Formulary Model Act sponsored by Indiana Representative Matt Lehman, 2020 NCOIL President. The Model passed without objection on a by both the Workers Compensation and the NCOIL Executive Committees.

The Workers' Compensation Committee had been working on this Model since its introduction at the NCOIL Spring Meeting in Nashville, TN in March 2019. The initial discussion draft of the Model was based on Indiana SB 369 which Rep. Lehman sponsored and was signed into law in March 2018. Essentially, the IN law requires the adoption of the Official Disability Guidelines (ODG) Workers' Compensation Drug Formulary Appendix A published by MCG Health, and prohibits workers' compensation reimbursement for drugs specified in said formulary as "N" drugs, except during a medical emergency.

However, in order to provide states with flexibility, the Model does not require the selection of a specific formulary but rather provides states the option of either selecting a nationally recognized, evidence-based drug formulary, or developing such a formulary, by rule.

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A Fond Farewell...

When it became clear in the latter part of 2015 that I was coming to NCOIL, the two people to whom I immediately turned to join me in this effort were Paul Penna & Kristin Hall. Both had been colleagues on and off for the past decade, and I knew we could not do this without them.

From those days of Autumn 2015 office hunting, through the early days of 2016 where virtually every decision was a case of first impression, the work was hard but the laughs were countless. I could not have asked for two better partners on this NCOIL journey.

While Paul took the lead on the rebranding of NCOIL, from modernizing the website to the registration process to our logos, signage and peripherals; Kristin was an organizational and administrative dynamo, keeping the NCOIL trains moving...not just on time but ahead of schedule.

As 2019 neared its end though, Paul and Kristin separately let us know that they were moving on to the next chapters in their careers. NCOIL thanks them for their 4+ years of service, as do I personally. In short, NCOIL would not be where it is without their wonderful contributions.

Godspeed,

Tom

Thomas B. Considine

Drug Formulary Model Cont'd

"I am proud to sponsor this Model for NCOIL, and I commend the Committee for acting promptly on this issue. In efforts to combat the opioid crisis and lower drug costs, it is our duty as State legislators to ensure that the treatment provided to injured workers is related to and most appropriate for their work-related injury," stated Rep. Matt Lehman, NCOIL President. "My goal when developing NCOIL Models is always to develop a framework for states to consider, knowing that states may need to make certain changes to reflect the market and other realities. I am pleased we were successful in ultimately ending up in a good place with this Model," he concluded.

During the drafting discussions, NCOIL legislators and staff heard from a wide array of interested parties such as: the Tennessee Bureau of Workers' Compensation; Mitchell, ODG by MCG Health; ReedGroup; MAXIMUS; the California Workers' Compensation Institute (CWCI); Baker & Welsh LLC; the American Medical Association Advocacy Center (AMA); the California Labor Federation; the American Association of Payors, Administrators, and Networks (AAPAN); the Maryland State Medical Society (MedChi); the Physicians Research Institute (PRI); the American Property Casualty Insurance Association (APCIA); and Medtronic.

The purpose of the Model is "to require the establishment of a drug formulary for use in a states' workers' compensation system in order to facilitate the safe and appropriate use of prescription drugs in the treatment of work-related injury and occupational disease."

Highlights of the Model include the requirement for the appropriate state agency/department to select a nationally recognized, evidence-based drug formulary or to develop such a formulary by rule; setting forth factors the appropriate state agency/department must consider while selecting or developing a drug formulary for adoption; solicitation of public comments and holding a public hearing regarding the selection of a formulary;; requiring the appropriate state agency/department to review updates by the publisher of a selected formulary; ensuring the formulary is available through the department/state agency's publicly accessible Internet website; requirements for operation of a formulary, including the process by which an employee can obtain a drug that is listed but no approved on the formulary; and third party conflict of interest requirements. The Model also requires the state department/agency to promulgate rules necessary for the implementation of the formulary.

Commissioner Tom Considine, NCOIL CEO, stated, "I am confident that the NCOIL Workers' Compensation Drug Formulary Model Act will serve its purpose and provide states options so that they can determine what is best for their state. NCOIL Models are developed to better equip the states to act in the best interest of the public. In this instance of the Workers' Compensation Drug Formulary Act, NCOIL provides the framework for states to make their workers' compensation system safer and more efficient, while having the opportunity to expand provisions as they deem appropriate."

A full copy of the model can be viewed [here](#).

NCOIL PRESIDENT ANNOUNCES 2020 COMMITTEE LEADERSHIP

NCOIL President Matt Lehman, state Representative from Indiana, announced the lineup of Committee Chairs and Vice Chairs for 2020.

"I am excited to work with this distinguished group of legislative leaders from across both the country and the political spectrum as NCOIL continues to examine and enact sound public policy that protects the state-based system of insurance regulation," said Lehman. "Each legislator has demonstrated knowledge and expertise on a variety of insurance and financial services issues, and I am confident they will be an asset throughout the year and do an admirable job leading these committees," he concluded.

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2020 Committee Leadership Cont'd

The NCOIL Chairs and Vice-Chairs are:

Articles of Incorporation/Bylaws:

Chair: Sen. David Livingston, AZ
Vice-Chair: Asw. Ellen Spiegel, NV

Audit Committee:

Chair: Asm. Ken Cooley, CA
Vice-Chair: Sen. Jim Seward, NY

Budget Committee:

Chair: Asm. Kevin Cahill, NY
Vice-Chair: Sen. Neil Breslin, NY

Business Planning Committee:

Chair: Rep. Matt Lehman, IN
Vice-Chair: Asm. Ken Cooley, CA

Financial Services & Multi-Lines Issues:

Chair: Rep. Edmond Jordan, LA
Vice-Chair: Rep. Jim Dunnigan, UT

Health Insurance & Long-Term Care Issues:

Chair: Asw. Pam Hunter, NY
Vice-Chair: Rep. Deborah Ferguson, AR

Joint State-Federal Relations & International Insurance Issues:

Chair: Sen. Bob Hackett, OH
Vice-Chair: Sen. Roger Picard, RI

Life Insurance & Financial Planning:

Chair: Asw. Maggie Carlton, NV
Vice-Chair: Asm. Andrew Garbarino, NY

NCOIL-NAIC Dialogue:

Chair: Asm. Ken Cooley, CA
Vice-Chair: Rep. Martin Carbaugh, IN

Nominating Committee:

Chair: Sen. Jason Rapert, AR
Vice-Chair: Sen. Travis Holdman, IN

Property & Casualty Insurance:

Chair: Rep. Richard Smith, GA
Vice-Chair: Rep. Tom Oliverson, M.D., TX

Workers' Compensation Insurance:

Chair: Rep. Bart Rowland, KY
Vice-Chair: Sen. Paul Utke, MN

Chairman At-Large: Sen. Jerry Klein, ND

The purpose for the addition of the Chairperson At-Large position to the NCOIL Committee Leadership is to oversee general committee activities and serve a committee's strategic needs as determined by the President at any given time. The Chairperson At-Large may have various responsibilities and tasks during their elected term to the NCOIL Committee Leadership.

NCOIL CEO, Commissioner Tom Considine said, "2020 promises to be an exciting year for all aspects of insurance legislation and NCOIL will work to ensure we are advancing model legislation for the states that benefits consumers while promoting economic growth and solvency protection. This group of chairs and vice-chairs is just one representation of the leadership and experience of the total NCOIL membership. The total membership is committed to strengthening our nation's state-based insurance system."

Contributing States are eligible for two legislator stipends per National Meeting to help underwrite the cost of participating.

Click below for more information

**Contact Cara Zimmermann with any questions
czimmermann@ncoil.org**

**LEGISLATOR STIPENDS NOW AVAILABLE
FOR CONTRIBUTING STATES**

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NCOIL 2020 Spring Meeting Tentative Schedule

THURSDAY, MARCH 5TH

CIP Member & Sponsor Reception 6:30 PM - 7:30 PM

FRIDAY, MARCH 6TH

Welcome Breakfast 8:15 AM - 9:30 AM
 Networking Break 9:30 AM - 9:45 AM
 General Session 9:45 AM - 11:00 AM
 Property & Casualty Insurance Committee 11:00 AM - 12:15 PM
 The Institutes Griffith Foundation Legislator Luncheon 12:15 PM - 1:15 PM
 NCOIL-NAIC Dialogue 1:15 PM - 2:30 PM
 Special Committee on Natural Disaster Recovery 2:30 PM - 3:30 PM
 Networking Break 3:30 PM - 3:45 PM
 Life Insurance & Financial Planning Committee 3:45 PM - 5:00 PM
 Joint State-Federal Relations & International Insurance Issues Committee 5:00 PM - 6:00 PM
 Welcome Reception 6:00 PM - 7:00 PM

SATURDAY, MARCH 7TH

Health Insurance & Long Term Care Issues Committee 9:00 AM - 10:45 AM
 Networking Break 10:45 AM - 11:00 AM
 General Session 11:00 AM - 12:15 PM
 Luncheon with Keynote Address 12:15 PM - 1:45 PM
 Legislative Micro Meetings 1:45 PM - 2:15 PM
 Workers' Compensation Insurance Committee 2:15 PM - 3:30 PM
 IEC Board Meeting 3:30 PM - 4:15 PM

SUNDAY, MARCH 8TH

Financial Services & Multi-Lines Issues Committee 8:45 AM - 10:00 AM
 Business Planning & Executive Committee 10:00 AM - 11:00 PM



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