

Health Insurance Reform Advisory Committee

Minutes

January 18, 2006

9:30AM – 11:30AM

Room 103

Oregon State Library

250 Winter Street NE

Salem, Oregon

Members Present: Kim Wirtz, Steve Tagmyer, Steve Doty, Lisa Trussel, Lori Long, Dan Field, and Dean Kortge.

Members Absent: Angela Kimball, Nancy Nevins, Ed Nieuburt, Lynn-Marie Crider, Ellen Pinney, LoriAnn Sheridan, Rocky King, Rick Rebel, Dr. Bruce Goldberg, and Laura Cooper.

Insurance Division Staff Present: Joel Ario, Shelley Bain, Cindy Jones, Gayle Woods, David Ball, Linnea Saris, Lewis Littlehales, and Elizabeth McMahan.

Others Present: Kristin Persson, Nancy Nevins, Gayle Wong, Jeff Dean, Jon Niedermeyer, Brenda Etzel, Jim Gravette, and Marcy Morris.

CALL TO ORDER

Oregon Insurance Division Administrator Joel Ario called the HIRAC meeting to order.

APPROVAL OF MINUTES

The minutes of the November 10, 2005, HIRAC Meeting Minutes were reviewed. Dean Kortge moved to adopt the minutes, Lisa Trussel seconded Mr. Kortge's motion, the November HIRAC Meeting Minutes were approved and adopted.

DISCUSSION

Advisory Committee consideration and comment on draft proposed administrative rules and proposed administrative rules.

The Committee reviewed and discussed the draft administrative rules implementing SB 501. After discussion of the rules Dean Kortge moved, Kim Wirtz seconded to recommend to the Director that the rules adopted.

Proposed rules relating to the use of exclusions and preexisting conditions in health insurance policies in connection with mandated pregnancy and childbirth costs benefits (3 handouts)

The rulemaking hearing will be held on January 18, 2006. Division has received only one piece of testimony. After discussion and comment on the proposed rule, Mr. Ario stated that the Division will read and carefully consider all testimony concerning the rules.

Draft proposed administrative rules relating to associations with small employer subgroups (1 handout)

The Division's position is that associations are large groups and must be rated as one group. Alternatively, if carriers individually rate SEHI subgroups, those subgroups must be rated by SEHI rating requirements. The Division could file this proposed rule in the near future. The Division is also considering a market analysis survey to determine what rating practices currently are in the SEHI association market.

SB 1 Mental Health Parity Process Update (1 handout)

First meeting of the SB 1 Advisory Committee will be January 26, 2006. The Division will have proposed rule available at the meeting. The tentative timeline for adoption of the SB 1 rules is to file notice of rule-making May 15, 2006; hold the public hearing in late June adopt in July. There are two major issues the committee needs to address: what is mental and nervous condition mean and what is covered or not covered; and what does parity mean?

2003 Regulatory Reforms (4 handouts) HB 2987; HB 2537; HB 3431

These health care reform bills were passed in 2003 and will sunset if no action is taken on the bills in 2007. The Division does not intend to introduce any legislation concerning these bills. The Division does need to prepare a report to the Legislature on the effects of the bills on the market.

The Committee recommend at the original sub-committee who developed the quarterly reports for these bills be brought back together to look at the results of those reports.

2007 Legislative Concepts

The Division is considering several legislative concepts related to health insurance:

- Transparency and UCR
- Medical discount cards
- Children's health care reform
- Pay or play
- First dollar coverage for preventive care services
- Pervasive development disorder, Aspergers syndrome, Autism
- Out of network emergency room coverage
- External reviews for disability and PIP coverage

Subcommittee Updates

COB

Any changes to the COB rules should be consistent with NAIC Model. The Division will be moving forward with COB rules.

SEHI Census Form

The next meeting will be Feb 2, 2006.

Next Meeting

The next HIRAC meeting will be March 15, 2006 at 1:30PM in Room E.

The meeting was adjourned 11:40 by Shelley Bain.