



***By Electronic Mail***

April 30, 2015

Ms. Angela Nelson  
Chair, Consumer Information (B) Subgroup  
National Association of Insurance Commissioners  
444 North Capitol Street, N.W., Suite 701  
Washington, D.C. 20001

Attention: Jennifer Cook, Esq., Life and Health Counsel

*Re: Consumer Information (B) Subgroup Review of Summary of Benefits and Coverage*

Dear Ms. Nelson:

On behalf of Americas Health Insurance Plans, I wish to thank you for the opportunity to provide comments to you as your Consumer Information (B) Subgroup (the Subgroup) begins its process to respond to the federal departments of Health and Human Services, Labor and the Treasury (the Departments) on their pending Summary of Benefits and Coverage rules.

As you are aware from your participation with the Subgroup during the development of the current Summary of Benefits and Coverage (SBC) rules, AHIP and its members have been and are committed to the development of SBC documents that can meet actual consumer needs as they investigate, select and enroll in health insurance coverage. Our members recognize that many consumers, who are, after all, customers of our members, need assistance through this process and it is incumbent upon carriers and regulators to respond to this need. While various state regulators, consumers and our members all have differing views with regard to what information can assist consumers in the selection and use of health insurance coverage, in the case of the SBC, this effort must comport with federal requirements as set forth in the current rules, and as outlined within the proposed rules (79 Fed. Reg. 78578, Dec. 30, 2014).

Following are our initial comments for your consideration as your Subgroup begins its deliberations. These initial comments do not address the content of the current or proposed SBC or the Uniform Glossary templates, rather they address issues we believe the Subgroup should first consider to enable it to reach its goals within what is surely a very compressed timetable.

**The Subgroup should establish and announce the criteria by which it will adopt its recommendations.** There are diverse, and sometimes conflicting, interests and views represented by the Subgroup's members; this is also one of its great strengths. Given the requirements of the federal SBC law and current regulations, and in light of the previous work of the Subgroup, we would suggest that the Subgroup discuss how it will adopt its recommendations. We are not suggesting one method of decision making be adopted over another method, nor are we advocating for a specific decision making technique, only that the



Subgroup discuss the nature of the work they are undertaking and the need agree upon a method for making decisions.

**The Subgroup should reference its work against the proposed rules and not against the current SBC and Uniform Glossary templates.** Inasmuch as the Departments have already published their intent to amend the current federal SBC and Uniform Glossary templates, which amendments will take effect unless altered by the Departments through their rulemaking process, AHIP believes it is incumbent upon the Subgroup to focus its review and comments first upon the proposed rules, including their templates, and only thereafter focus upon the current templates. The Departments have proposed significant changes to the current rules and their templates and the Subgroup should focus its work on those changes and the Departments' reasoning for those changes. In addition, by focusing on the proposed changes, the Subgroup will also address non-template specific changes that may impact the templates and their use.

**The Subgroup should endeavor to elicit information on how consumers use or don't use the current SBC forms, so the Subgroup can base its decisions on evidence and not on opinions, however well intentioned, and regardless of the source - regulator, industry, consumer or other vested party.** While we recognize that the current templates have been the subject of consumer testing, including testing done as part of the initial Subgroup's work, and that such testing has shown that some consumers found the templates useful; we believe the Subgroup should learn how consumers actually shop for coverage and how consumers select one coverage option over another. If, as some research indicates, they do so based upon coverage examples as indications of what a particular coverage will pay or reimburse for a medical condition, this too should be learned as consumers may be making uniformed selections. While it appears that the Subgroup will not have time to do consumer surveys and interviews, there may be other avenues to gain this knowledge.

**The Subgroup should conduct a review of the SBC template to determine if the template is too product focused thereby limiting its ability to provide simple and clear information to consumers.** The SBC is not designed to be a comprehensive outline of coverage, but rather a summary to assist consumers, particularly when consumers are comparing policies in anticipation of direct purchase or other election through employment. We would encourage the Subgroup to focus on the information that consumers need to undertake those tasks to ensure that and new SBC templates achieve those ends. For example, the SBC template is designed to portray a two tiered Preferred Provider Product. While currently a commonplace product, that format presents considerable challenges to the presentation of three tiered Point of Service Products, to multiple tiered Preferred Provider Products, not to mention products with medical homes. Complexity of product presentation is an important issue for consideration, especially in light of the proposed withdrawal of the enforcement safe harbor for SBCs that exceed eight (8) sides in length.

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**The Subgroup needs to be an advocate for innovation and improvement.** The Subgroup should champion innovation and competition and not champion straightjacket disclosures in the name of consumerism. Innovation and competition are essential foundational elements of the Accountable Care Act and the Subgroup should champion SBC and Uniform Glossary rules templates that support these principles and can accommodate these principles either directly or through permanent safe harbors.

**The Subgroup needs to be an advocate for reasonable regulatory processes.** A significant part of the Departments' proposed rules address processes and procedures that the Subgroup, as insurance experts and as state regulators should review and expound upon. The history of past and present Department regulatory proposals evidences this need for the sharing of state expertise.

Attached for the record and in the anticipation of the technical review of the Departments' proposed rules, please find our filed comment letters on the proposed SBC and Uniform Glossary rules, and on the record production requirements for the SBC templates.

America's Health Insurance Plans looks forward to participating with you and with the other members of your Subgroup as we address the current and proposed federal law and rules. If you have any questions concerning these suggestions and recommendation, please do not hesitate to contact me at your convenience. I look forward to our next Subgroup call.

Sincerely,

A handwritten signature in black ink that reads "Mitchell, Jr." in a cursive script.

Martin L. Mitchell, Jr.