October 28, 2014

The Honorable Ted Nickel
Chair, Regulatory Framework (B) Task Force
c/o National Association of Insurance Commissioners
444 North Capitol Street, NW
Suite 700
Washington, DC 20001
Attention: Jolie H. Matthews

Submitted via email

Re: NAIC Proposed Individual Market and Small Group Market Health Insurance Coverage Model Regulations

Dear Commissioner Nickel:

The Partnership to Fight Chronic Disease (PFCD) appreciates the opportunity to comment on the changes proposed in the Individual Market Health Insurance Coverage Model Regulation and the proposed Small Group Market Health Insurance Coverage Model Regulation (“proposed model regulations”). PFCD, a non-partisan coalition of hundreds of patient, provider, community, business and labor groups, and health policy experts active at the state, federal, and international level, advocates for policies that work to better prevent and manage the number one cause of death, disability and rising healthcare costs: chronic diseases.

Having healthcare coverage that provides affordable, meaningful access to needed healthcare services is critically important to people living with chronic diseases. We appreciate the NAIC's efforts to improve access to healthcare and carefully balance affordability and access when making important policy decisions. It is with this balance in mind that we offer the following comments to the proposed model regulations.

Our particular concern is with the approach taken in the proposed model regulations with respect to determining maximum out-of-pocket costs. High out-of-pocket costs present a significant barrier to people living with chronic conditions when seeking and obtaining the care they need to stay healthy.

The Affordable Care Act, Sec. 1302(c), makes no distinction between cost sharing for in-network or out-of-network services. Though the provision does specifically exclude certain out-of-pocket costs from the annual limit on such costs, the provision does not exclude a consumer’s cost-sharing under a plan’s benefits for
covered services provided, prescribed, ordered or supplied by an out-of-network provider. To protect consumers from catastrophic health care costs, as intended by the ACA, we urge NAIC to make this distinction clear with respect to cost-sharing and maximum out-of-pocket cost protections.

We appreciate NAIC’s consideration of this request and welcome the opportunity to provide additional information, if needed.

Sincerely,

Kenneth E. Thorpe, Ph.D.
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