March 6, 2015

Mr. J. P. Wieske, Chair of the Network Adequacy Model Review Subgroup
National Association of Insurance Commissioners
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Delivered via email: jmatthews@naic.org

Subject: Affordable Health Benefits Coalition Comments on the Proposed Revisions to the NAIC’s Managed Care Plan Network Adequacy Model Act (#74)

The Affordable Health Benefits Coalition (AHBC) appreciates the opportunity to submit comments to the Network Adequacy Model Review Subgroup on the Managed Care Plan Network Adequacy Model Act (#74)(“Model Act”). The AHBC is a broad-based organization representing small and large employers from various economic sectors, as well as pharmacy benefit managers, health care providers and health and dental plans operating throughout the nation. The mission of the AHBC is to advance policy initiatives that will improve access to more affordable high quality health coverage.

The AHBC commends the NAIC, and the Subgroup specifically, on its efforts to establish network standards to assure adequacy, accessibility and quality. As the NAIC reviews comments and finalizes the Model Act, we urge the Subgroup to maintain flexibility with regard to network adequacy as it has so far, for evolution and future changes in health delivery systems and health care funding mechanisms. Flexibility and plan variety are essential to providing affordable coverage. Health plans and employers are working together to foster innovation in provider network design, coupled with transparency tools that lead to informed decision-making by consumers. Any approach that limits a plan’s ability to offer products with different network designs would stifle innovation and reduce consumer access to a range of affordable coverage options.

We strongly urge the NAIC not to default to time/distance standards when determining network adequacy, as local market dynamics can differ widely based on geography, demographics, patterns of care, and trends in provider acquisitions and consolidations that can affect a health plan’s ability to contract with providers. Furthermore, traditional network adequacy
time/distance standards are not appropriate for a dynamic, quickly changing private sector market – they may freeze in place soon-outdated models of healthcare delivery.

We appreciate the Subgroup’s consideration of our comments and we look forward to continuing to work with the NAIC as the effort to implement a network adequacy model act moves forward. Should you have any questions, please do not hesitate to contact Katie Mahoney at 202-463-5825 or KMahoney@USChamber.or or Neil Trautwein at 202-626-8170 or trautweinn@nrf.com.

Sincerely,

The Affordable Health Benefits Coalition
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