



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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DATE: January 6, 2012
TO: NAIC PPACA Medigap Work Group
FROM: Guenther Ruch, Wisconsin Office of the Commissioner of Insurance
SUBJECT: January 10, 2012, Work Group Call

I hope you all had a great holiday season!!!

However, it's time to get back to work on our project. The purpose of this memo is to refocus as to where I think we are on our section 3210 work and what we will be doing on our January 10th call.

We left our last call with reaching preliminary agreement on the proposal we would be using in order to move forward. That would be proposal 1 on the proposal chart that adds co-pays to plans C & F in the manner that co-pays were developed and implemented for Plan N.

Given that decision, we need to identify which Part B services should have co-pays and the amount of the co-pays. A suggestion was made that we look to Medicare Advantage plans to see if any of those plans have identified certain Part B services to which they attached some form of cost-share. We hope to have some information on that research on this call.

We have not yet discussed the details on how the Part B services would be identified, but we agreed that, for claims processing purposes, the identification of the services needs to be done in such a way as was done for Plan N. We will discuss, for example, whether we need to identify individual procedures, groups of individual procedures or both.

We also need to discuss the amount(s) of the co-pays, for which I am sure we all have some ideas. Looking to the statute for guidance, we are reminded that they are to be "nominal" cost shares that encourage the use of "appropriate" services under Part B.

Finally, we will need to continue our drafting work on the NAIC model regulation. We already have a good start on that. We just need to fill in the blanks, make sure we have all the affected sections covered by the changes and discuss the effective date of the amendments.

If anyone has comments on this memo, don't hesitate to contact Jane or me, or bring up at the call. I'm looking forward to getting this project behind us in the very near future. Talk to you on the 10th.

Thanks