Conference Call

HEALTH REFORM SOLVENCY IMPACT (E) SUBGROUP
Thursday, May 27, 2010
12:30 p.m. – 2:30 p.m. Central Time

Summary Report

The Health Reform Solvency Impact (E) Subgroup met via conference call May 27, 2010. Prior to the conference call, comments were collected on the draft blanks proposal for a new Health Care Exhibit supplemental filing. During the conference call, the Subgroup focused on the comments received for Column instructions, general issues, and the blanks and instructions for Parts 1 and 2 of the new Health Care Supplement as summarized in the Excel spreadsheet titled, “May 19 Exposure Comments Summary.”

1. Column Instructions and General Comments (16 comments received):
   - Changes requested in comments 1, 2, 4, 5 and 12 were not supported by the Subgroup.
   - The Subgroup supported comment 3, as they had already decided the Supplement should be filed annually.
   - In response to comment 6, the Chair indicated that any information shared with the U.S. Health and Human Services Department (HHS) would not be the final recommendation until it was finalized through the NAIC process.
   - Comments 7, 8, 10 and 13 were supported by the Subgroup.
   - Comment 9 was identified as an item for future consideration.
   - Comment 11 was withdrawn once assurance was provided that the statutes excluded supplemental medical products.
   - Comment 14 was referred to NAIC staff to review.
   - Comment 15 was not supported, though the Chair indicated that it may be appropriate to include disclosure of the allocation basis used in the supplemental filing.
   - Comment 16 was not supported for deletion of the column but was kept for other items not otherwise included.

2. Other (than Quality Improvement) Part 1 Comments (26 comments received):
   - Comments 1, 2, 3 and 16 are pending work from the Accident & Health Working Group.
   - Comments 4, 6 and 8 are pending feedback from HHS, and a new question was raised to consider whether state sales tax should be excluded from premium.
   - Comment 5 is pending further discussion.
   - Comments 7, 11, 22, 24 and 25 were supported by the Subgroup.
   - Comment 9 and 10 are pending feedback from HHS.
   - Comment 12 is pending revised language.
   - Comments 13, 14, 17, 18 and 26 were not supported by the Subgroup.
   - Comment 19 will be reviewed by the Subgroup for inclusion as part of Quality Improvement.
   - Comment 15 is pending to allow Blue Cross Blue Shield Association to provide examples and proposed language.
   - Comments 20 and 21 were withdrawn by America’s Health Insurance Plans due to the Subgroup’s lack of support on a related item.
   - Comment 23 was moved to the Quality Improvement section of comments, which were not addressed on this call.

3. Part 2 Comments (7 comments received):
   - Comments 1, 5 and 7 are pending work from the Accident & Health Working Group.
   - Comment 2 regarding a test filing and due date was not supported by the Subgroup; it was agreed that a 2010 filing could be used to refine the exhibit.
   - Comments 3 and 4 were supported by the Subgroup.
   - Comment 6 was not supported by the Subgroup.

4. The Chair announced that the next call is scheduled for June 3, at 1 pm, Central.