

*Conference Call*

**HEALTH REFORM SOLVENCY IMPACT (E) SUBGROUP  
June 23, 2011**

**Summary Report**

The Health Reform Solvency Impact (E) Subgroup met via conference call June 23, 2011. During this meeting, the Subgroup:

1. Discussed comments received for the 2011 Supplemental Health Care Exhibit 2011-30BWG blanks proposal and took the following actions:
  - a. Voted unanimously to delete the “contingent benefits and lawsuit reserves” line from Part 2 of the supplement and incorporate instructions to include the amounts in the appropriate claims lines.
  - b. Voted unanimously to send a recommendation to the Health Insurance and Managed Care (B) Committee to communicate with U.S. Department of Health and Human Services (HHS) Secretary Kathleen Sebelius requesting that she consider a modification to the federal Patient Protection and Affordable Care Act (PPACA) Medical Loss Ratio, (MLR) reporting forms suggested by the NAIC with respect to the “contingent benefit and lawsuit reserves.”
  - c. Voted unanimously to have Subgroup Chair Lou Felice (NY) work with NAIC staff to investigate options for the NAIC to collect the lawsuit reserves data in a confidential manner on a national basis.
  - d. Voted unanimously to modify the proposal to change the word “the” to “each” in the association instruction in the general instructions. The instruction would read, “When the association is made up of employers, it should be reported as large group or small group depending on the size of **each** employer. For employer business issued through a group trust, the allocation shall be based on the location of **each** employer. For employer business issued through a multiple employer welfare association the allocation should be based on the location of **each** employer” (changes are in bold).
  - e. Voted unanimously to adopt the Subgroup modifications to the proposal and forward this recommendation onto the Blanks (E) Working Group for consideration when adopting the proposal.
2. Discussed and adopted the charges for the Health Care Reform Analysis (E) Technical Group and the Health Care Reform Examination (E) Technical Group to begin work on reviewing current procedures and evaluate the need for additional procedures.
3. Voted unanimously to forward a memorandum to the Health Insurance and Managed Care (B) Committee suggesting that the Committee review new quality improvement initiatives for standardization and incorporation into the supplemental instructions.

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