

Adverse Selection Workgroup

August 16, 2012

Agenda

- I. Welcome

- II. Discussion topic: Outstanding questions for individual participation
 - a. How can laws/practices around accumulation of deductibles/out of pocket maximums address situations in which enrollees churn between public and private coverage during a benefit year?
 - b. What options could be considered for an individual who enrolls in an individual product and whose coverage is terminated due to non-payment of premiums?
 - i. Federal regulations provide a three-month grace period for non-payment of premiums for individuals receiving premium tax credits. During this time, a carrier must pay claims for the first month and pend claims from the second and third months. If the individual does not pay all outstanding premiums by the end of the three months, coverage is terminated back to the last day of the first month. Should a fee be assessed on an individual who did not pay a premium for the first month of the 3-month grace period for individuals receiving premium tax credits when that individual attempts to purchase coverage at the next open enrollment period?
 - ii. Are there any other circumstances under which it would be appropriate to impose a fee on an individual who did not carry coverage for the most of/all of the previous year and wants to buy an individual product?

- III. Discussion topic: Questions for employer/employee participation
 - a. Should employers be required to ensure a certain percentage of their employees participate?
 - b. Are there remaining issues to consider regarding association plans and PEOs?
 - c. Update on NAIC recommendations on thresholds for stop loss insurance

- IV. Preview of August 21 and September 19 Agenda Items