

From: [Waltraut Lehmann](#)
To: [Gellermann, AnnaLisa \(OIC\)](#); [OIC Rules Coordinator](#)
Subject: Comments on R 2018-01 Short-term limited-duration plans
Date: Thursday, March 22, 2018 2:20:11 PM

Dear AnnaLisa,

In response to your office's CR-101 regarding short-term limited-duration plans, Premera and its affiliated companies ("Premera") would like to provide you with initial comments.

Premera believes that a number of elements should be part of any OIC rulemaking on this topic, and we urge your office to address them. We will, as always, be available to engage with your rule team to discuss the details and participate in stakeholder meetings and reviews. For the rulemaking, we ask that you consider the following points:

- RCW 48.43.005(26)(1) defines a short-term, limited-duration health plan as not being a "health plan"; therefore we believe that particular clarity is needed to establish which type of carrier can offer the plans, and what requirements in the insurance code will apply to them.
- We believe the plan design and requirements for duration, benefits, exclusions, underwriting, and related provisions need to reflect clearly the intent of such plans – as a brief fill-the-gap coverage plan for individuals who need protection against unexpected medical events but do not have longer-term or chronic medical needs, until the individual can become covered under a regular health plan (such as individuals between jobs). Individuals with significant medical needs must continue to be directed and incentive to purchase health care plans such as individual ACA-compliant plans, or elect COBRA continuation when available.
- We suggest the following specific provisions should be included for the appropriate benefit and coverage design of such short-term plans, in order to ensure they are successful, and fill the need for which they are intended:
 - Coverage issued for a three-month period, based on a full three-month prepaid and non-refundable basis, with a one-time option to renew for another three months without a gap in coverage.
 - In the event the short-term coverage overlaps with another plan, we suggest that the short-term plan become excess-only.
 - The plan should be allowed to restrict or exclude coverage for pre-existing conditions.
 - Dependent coverage should be able to be limited to lower than age 26 (we suggest age 18 and under).
 - Benefits are intended for acute care; preventive services should be able to be excluded or limited.
 - The design should allow for limitations on prescription drugs, such as generics-only coverage (except as otherwise specifically mandated).
- In terms of selling short-term, limited-duration plans, we respectfully ask that you consider the following:
 - There should be flexibility for the geographic areas of the state where a carrier can offer such plans.
 - We also recommend restricting such plans to be sold only via producers; this would be to ensure that consumers receive appropriate advice on whether this is the right plan for their needs.

- We very much appreciate the OIC's undertaking of fact- and comment-gathering ahead of time on this important subject. Once this step is completed as you collect responses to the CR-101, we urge your office to hold off on further activities until the federal rulemaking is completed, so that context within which Washington addresses the short-term, limited-duration plan becomes more clear. Once the time for further work on rule details arrives, we would also urge you to hold stakeholder discussions and allow for draft language reviews.

If you have questions, please let me know. Thank you for considering our comments.

Waltraut

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