OFFICE of the INSURANCE COMMISSIONER
WASHINGTON STATE

Short-term Limited Duration Medical Plans (Rule 2018-01)

Concise Explanatory Statement; Responsiveness Summary, Rule Development Process and Implementation Plan

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www.insurance.wa.gov

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Short Term Limited Duration Medical Plans (Rule 2018-01)

Introduction

The Revised Code of Washington (RCW) 34.05.325(6) requires the Office of Insurance Commissioner (OIC) to prepare a Concise Explanatory Statement (CES) prior to filing a rule for permanent adoption. The CES must:

1. Identify the OIC's reasons for adopting the rule.
2. Describe the differences between the proposed rule and the final rule (other than editing changes) and the reasons for the difference.
3. Summarize and respond to all of the comments that the OIC received regarding the proposed rule during the official public comment period, indicating whether or not the comment resulted in a change to the final rule. If the OIC did not incorporate the change that the commenter requested, the response will include an explanation of why the agency did not incorporate the change.
4. Be distributed to all persons who commented on the rule during the official public comment period and to any person who requests it.

Background and reasons for the rulemaking

On August 3, 2018, the federal Departments of Treasury, Labor and Health and Human Services adopted final rules related to short-term limited duration (STLD) insurance (83 F.R. 38212 et seq; https://www.gpo.gov/fdsys/pkg/FR-2018-08-03/pdf/2018-16568.pdf). The effective date of the rule is October 2, 2018. Those rules amended a rule that previously had been in place since 2016, which limited the duration of STLD insurance plans to three months and made them nonrenewable.

The August 2018 federal rules:

- Allow contracts for STLD insurance to have a term of up to 364 days after the original effective date of the contract;
- Allow, taking into consideration renewals and extensions, a STLD insurance contract to have a duration of up to 36 months;
- Allow the purchase of separate STLD insurance contracts that run consecutively, so long as each contract is separate and can last no longer than 36 months;
- Require the inclusion of consumer notice language in the contract and in any application materials provided to consumers in connection with enrollment; and
- Allow states to regulate STLD insurance with respect to reducing the maximum initial contract term, reducing the total maximum duration, enhancing the required consumer disclosures, and regulating this insurance in any other respect not addressed in the federal rules. (See 83 Federal Register at 38219).

RCW 48.43.005(26) defines the term “health benefit plan” or “health plan”. That definition exempts several types of health insurance from the definition of “health benefit plan”, including short-term limited duration medical plans. The exemption language provides:

> (26) "Health plan" or "health benefit plan" means any policy, contract, or agreement offered by a health carrier to provide, arrange, reimburse, or pay for health care services except the following:...

(l) Plans deemed by the insurance commissioner to have a short-term limited purpose or duration,… after a written request for such classification by the carrier and subsequent written approval by the insurance commissioner; ….

This final rule is being promulgated in response to the final federal rules. Short-term limited duration medical plans are designed to fill gaps in coverage for individuals who need access to "stop gap" coverage pending a transition to comprehensive coverage through, for example, employer-sponsored coverage, an upcoming individual market open enrollment period or Medicare coverage. Under the ACA, individuals have the opportunity to enroll in individual health insurance outside of the annual open enrollment period if they experience qualifying events, such as having a child, losing student health insurance or losing their employer-sponsored health insurance.

Short-term limited duration medical plans are exempt from many requirements of the Affordable Care Act. Carriers offering these plans can deny coverage based on health status. The plans can exclude coverage of pre-existing medical and behavioral health conditions, do not have to offer ACA essential health benefits and can set limits on annual and lifetime coverage.

This short-term limited duration medical plan rule clarifies the Insurance Commissioner's process and standards relative to the filing and sale of short-term limited duration medical plans in Washington state. It will restore in large part federal rules previously in place from 2016 to September 2018 that limited the duration of short-term limited duration insurance to three months. It establishes minimum standards for coverage offered through short-term limited duration medical plans, establishes requirements related to consumer disclosure, provides for prior approval of short-term limited duration medical plan forms and rates, and defines the circumstances under which those medical plans can be canceled or rescinded.

Guiding principles for the rulemaking

OIC identified the following principles to guide this rulemaking related to short-term

limited duration medical plans:

1. Short-term limited duration medical plans should be available in Washington state to meet the needs of individuals who need access to "stop gap" coverage pending a transition to comprehensive coverage through, for example, employer-sponsored coverage, an upcoming individual market open enrollment period or Medicare coverage. Coverage under such plans should not be illusory.
2. Short-term limited duration coverage should not be considered a substitute for comprehensive benefits available through the ACA individual health insurance market or group health coverage.
3. Given the nature of short-term limited duration medical plans, consumers must be fully aware of the limitations of the plans during the application process and prior to purchase.

Rule development process

On March 2, 2018, the OIC filed a preproposal statement of inquiry (CR-101) for a rule to clarify the Insurance Commissioner's process and standards relative to the filing of short-term limited duration medical plans intended for sale to Washington consumers. The CR-101 comment period was open until March 22, 2018.

Seven stakeholders submitted comments to the OIC regarding the rule during the CR-101 comment period.

Between publication of the CR-101 on March 20, 2018 and filing of the CR-102 on August 21, 2018, OIC engaged in extensive stakeholder discussions with the Association of Washington Healthcare Plans, health carriers, the Washington State Medical Association, the Washington State Hospital Association, health insurance brokers and agents, Northwest Health Law Advocates and numerous other consumer advocates. These discussions occurred through written communication and a series of meetings held in during that interim period. The first was

a discussion with members of the Office of the Insurance Commissioner's Life & Disability Agent/Broker Advisory Committee on June 6, 2018. These interactions informed a stakeholder draft issued in June 2018, as well as the language of the proposed rule.

On June 12, 2018, the OIC released a stakeholder draft.

On June 19 and 26, 2018, OIC held three stakeholder meetings. The meetings focused on diverse stakeholder perspectives – carriers, providers, brokers/agents and consumers. On July 25, 2018, OIC held a roundtable discussion regarding the stakeholder draft with members of the American Indian Health Commission. Comments on the stakeholder draft were due June 26, 2018. Fourteen stakeholders submitted comments.

On August 21, 2018, the OIC filed a CR-102. The agency held a hearing on September 26, 2018. Comments on the CR-102 were due September 24, 2018, and sixteen stakeholders submitted comments.

The OIC filed the CR-103P to adopt the rule on October 17, 2018 and the rule went into effect on November 17, 2018.

Differences between proposed and final rule

The final rule differs from the proposed rule in one respect. Proposed WAC 284-43-8030 addresses short-term limited duration medical plan cancellation and rescission. The language of the proposed rule requires that when a STLD medical plan is being canceled or rescinded for a reason authorized under the proposed rule, other than non-payment of premium, the carrier must notify the member in writing twenty days prior to the cancellation or rescission date or the expiration date of the short-term limited duration medical plan, whichever occurs first.

We received comments from Cambia Health Solutions. Their subsidiary, LifeMap offers STLD medical plans in Washington State. They noted that a twenty day notice period may not be practical, especially when a person has purchased a plan with a thirty day duration. The twenty day notice period could go beyond the expiration date of the coverage, rendering it meaningless. They requested that the advance notice period be reduced to ten days. After consideration of these comments, the final rule provides an exception to the twenty day standard. Under the final rule, a carrier may provide notice less than twenty days prior to the cancellation or rescission date if the remaining duration of the short-term limited duration medical plan would make it impossible for the carrier to provide notice twenty days prior to the cancellation or rescission date. In such a case, notice must be provided no later than ten days prior to the cancellation or rescission rate or the expiration date of the short-term limited duration medical plan, whichever occurs first.

For the reasons described in the responses to the comments below, no other changes were made to the proposed rule in the final rule.

Responsiveness summary of comments

The OIC received thirty-seven comments and suggestions regarding this rule, inclusive of the CR-101, stakeholder draft and CR-102. The following information contains a description of the comments, the OIC's assessment of the comments, and information about whether the OIC included or rejected the comments.

The OIC received comments from:

- Chris Bandoli, WSHA
- Brenda Brink, agent
- Jessica Bullington, OIC
- Patrick Connor, NFIB
- Merlene Converse, Kaiser Permanente NW
- Lucy Culp, on behalf of a coalition of consumer advocacy organizations
- Adair Dammann, Planned Parenthood Votes NW and Hawaii
- Denny Eister
- Leslie Edwards, Planned Parenthood Votes NW and Hawaii
- Sarah Freeman, Mutual Benefits Inc.
- Cindy Goff, AFLAC
- Sean Graham, WSMA
- Megan Howell, Premera
- Sybill Hyppolite, SEIU Healthcare 1199
- Jeffrey Johnson
- Laura Keller, American Diabetes Assn.
- Waltraut Lehman, Premera
- James Madara, AMA
- Gail McGaffick, Fresenius Medical Care North America
- Mary McHale, American Cancer Society Cancer Action Network and other patient

advocacy organizations

- Greg Mitchell, Frost, Brown, Todd LLC
- Andrianna Simonelli, Cambia
- Gavin Southwell, Health Insurance Innovations
- David Szostak, Cambia Health Solutions
- Janet Varon, Northwest Health Law Advocates
- Simon Vismantas, Kaiser Permanente Washington
- Washington Health Benefit Exchange
- Chelene Whiteaker, WSHA
- Sandra Wood, The Benefits Academy
- Huma Zarif, Northwest Health Law Advocates

Comments

Comments in response to CR-101	
Comment: More transparency is needed in the sale of STLD medical plans. Require a signed disclosure statement at the time of sale. (Jessica Bullington)	**Response:** The Commissioner appreciates the comment. The rule includes detailed a consumer disclosure template that must be provided to consumers at the time of application for the plan.
Comment: STLD medical plans are currently exempt from important consumer protections. Require STLD medical plans to comply with consumer protection requirements such as prohibition against pre-existing condition exclusions, coverage of essential health benefits and prohibition on lifetime and annual caps. Require full disclosure in consumer-friendly language regarding the limitations of coverage. (American Cancer Society Cancer Action Network; American Heart Assn; American Stroke Assn; Bleeding Disorder Fdn of WA; Caring Ambassadors Program Inc; Hepatitis Education Project; Nat'l Multiple Sclerosis Society; National Psoriasis Fdn; Susan G. Komen Puget Sound; The Leukemia and Lymphoma Society; Transplant	**Response:** This rule limits the duration of STLD medical plans to 3 months – it is designed to address short-term gaps in coverage experienced by consumers who are, for example, aging into Medicare within a couple of months or are in a waiting period for employer sponsored coverage to begin. In addition, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards for STLD medical plan benefits related to covered services, maximum coinsurance rates, minimum standards for the maximum aggregate payment and deductibles.

Recipients International Organization Pacific NW; U.S. Pain Fdn.)	The Commissioner appreciates the comment related to the need for consumer-friendly disclosure requirements.
Comment: Individual market stability needs to be prioritized. Support policy interventions that improve conditions for market participation, strengthen continuous coverage requirements, close loopholes, avoid market segmentation and promote a level playing field for carriers by ensuring accurate risk adjustment models. (Cambia Health Solutions)	**Response:** The Commissioner appreciates the comment. This STLD medical plan rule is designed to promote individual market stability, with a goal of maintaining carrier participation in the ACA-compliant market, encouraging continuous coverage and avoiding market segmentation.
Comment: Concerned that expansion of STLD medical plans will make it more difficult for Washingtonians to obtain affordable coverage. STLD medical plans will raise premiums in the individual market and draw healthier consumers away from the individual market. All efforts should be made to keep the duration of these plans to 3 months. Clear consumer disclosure of the limitations of STLD medical plans should be required. (Kaiser Permanente of WA and Kaiser Permanente Northwest)	**Response:** The Commissioner appreciates this comment.
Comment: While STLD medical plans serve a legitimate purpose in the health coverage marketplace, concerned about the effect increased use of the plans may have on consumers that rely on them and on the viability of WA's insurance market. STLD medical plans provide a less expensive coverage option, but at the cost of excluding many consumer protections. OIC should employ a robust, transparent process in this rulemaking. (WA State Medical Assn; WA State Hospital Assn; Bleeding Disorder Fdn. of WA; Susan G. Komen Puget Sound; Association of Washington Health Care Plans)	**Response:** The Commissioner appreciates this comment.
Comment: For this rulemaking, OIC should consider: • Since STLD medical plans are not "health plans" clearly define which type of carrier can offer these plans and which requirements of the insurance code will apply to them; • Plan design and requirement should reflect the intent of STLD medical plans – as a brief fill-the-gap coverage plan for individuals who need protection. Individuals with significant medical needs should be incentivized to	**Response:** The Commissioner appreciates these comments. This STLD medical plan rule: • Defines the carriers that can offer the plans and the requirements applicable to those plans; • Includes requirements that reflect the short-term nature of this coverage; • Allows restriction or exclusion of pre-existing conditions, focuses benefits on medical/surgical coverage, and allows limitations on prescription drug coverage; and

purchase ACA compliant plans or elect COBRA coverage. • Include the following provisions: coverage for a 3 month period, with a one-time option to renew; if STLD coverage overlaps with another plan, the STLD plan should be excess only; allow restriction or exclusion of coverage of pre-existing conditions; dependent coverage should go up to age 18; limit required benefits to acute care; and allow limitations on prescription drug coverage. • Provide flexibility in geographic areas where coverage is offered; and restrict sale of these plans to through brokers/agents. • Hold off on further action until the federal rules are final. Hold stakeholder discussions and allow draft language reviews. (Premera)	• Provides flexibility in geographic areas where coverage is offered. As discussed in more detail below, in recognition of the fill-the-gap nature of STLD medical plans, the rule does not allow renewal of such plans. It provides carrier discretion related to whether enrollees can have overlapping coverage. Carriers are not required to provide dependent coverage. The Commissioner issued its CR-102 related to STLD medical plans on August 21, 2018. The final federal STLD health insurance rules were issued on August 3, 2018.
Comments in response to stakeholder draft (June 12, 2018)	
<u>Duration of coverage</u>	
Comment: Support limiting the duration of STLD medical plans to 3 months, nonrenewable. (American Medical Assn, Washington State Medical Assn., Washington State Hospital Assn., Lucy Culp [on behalf of American Cancer Society Cancer Action Network, American Diabetes Assn, American Heart Assn, American Liver Fdn, American Lung Assn, Arthritis Fdn., Bleeding Disorder Fdn of WA, Crohn's and Colitis Fdn, Epilepsy Fdn., Hemophilia Federation of America, Leukemia & Lymphoma Society, Lutheran Services in America, March of Dimes, National Multiple Sclerosis Society, National Organization of Rare Disorders, National Psoriasis Fdn, and Susan G. Komen Puget Sound], SEIU 1199, Planned Parenthood, Northwest Health Law Advocates, Washington Health Benefit Exchange, Kaiser Permanente Washington and Kaiser Permanente Northwest)	**Response:** The Commissioner appreciates this comment.
Comment: Support limiting STLD medical plan coverage to 3 months in a 12 month period. (Lucy Culp et al, Northwest Health Law Advocates, WA Health Benefit Exchange)	**Response:** The Commissioner appreciates this comment.
Comment: Support limiting duration of STLD medical plan to 3 months, nonrenewable.	**Response:** The Commissioner received information regarding the number and duration of STLD medical plans for the period of 2015-

However, allow one new application for an additional 3 months of coverage. (Premera, Cambia)	2018 from the only carrier currently actively marketing STLD medical plans in Washington State. That information indicates that almost 94% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for up to half of each year could incentivize individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage.
Comment: Allow 6 month duration, nonrenewable, with no additional application option. If 3 month duration, allow one additional 3 month policy to be purchased. Allow 6 months of coverage in a 12 month period. (Sandra Woods, The Benefits Academy)	**Response:** The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for up to half of each year could incentivize individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage.
Comment: Allow STLD medical plan to last until the end of the calendar year of purchase. (Brenda Brink)	**Response:** As noted above, the data does not indicate that there is a demand for coverage to last until the end of the calendar year of purchase. In addition, a consumer could purchase coverage in January to last until the end of the calendar year of purchase, which would have the effect of creating a near year-long STLD medical plan market outside of the ACA-compliant market. The existence of such a market alongside ACA-compliant plans could lead to increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market.
<u>Scope of required benefits</u>	
Comment: STLD medical plans should be required to offer ACA preventive services, the essential health benefits and state mandated benefits. (Planned Parenthood)	**Response:** During OIC's stakeholder engagement in this rulemaking proceeding, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards for STLD medical plans related to benefits covered, maximum coinsurance rates, minimum

	standards for the maximum aggregate payment and deductibles.
Comment: Set out a definition of major medical in the rule; allow coinsurance at 50% and cap deductible at $5,000. (Sandra Woods, the Benefit Academy)	**Response:** The Commissioner appreciates this comment. The final rule sets out the definition of major medical coverage, caps coinsurance at 50%, and rather than setting a maximum allowable deductible, requires any carrier offering STLD medical plans to offer at least one plan with a deductible of $2000 or less.
Comment: Definition of major medical in the draft would require coverage of services not currently included in the LifeMap STLD medical plans. Allow coinsurance up to 50%, as that is a current offering under LifeMap STLD medical plans. (Cambia)	**Response:** The definition of major medical included in the final rule aligns more closely with STLD medical plans offered on the market in Washington state and sets the maximum allowable coinsurance rate at 50%.
Comment: Add a definition of "pre-existing condition" to the rule. (Sandra Woods, Premera)	**Response:** The rule includes a definition of "pre-existing condition".
Comment: Require a minimum loss ratio for SLTD medical plans of at least 70%. Add a minimum MLR standard. (Health Benefit Exchange, American Medical Assn., Lucy Culp et al)	**Response:** The final rule in WAC 284-43-8020 states that OIC can disapprove a proposed premium if the benefit provided therein is unreasonable in relation to the premium charged. This language provides authority to reject a premium that would generate an unreasonable medical loss ratio.
Comment: Minimum annual limit should be at least $1million. (WA Health Benefit Exchange)	**Response:** The Commissioner appreciates this comment. The final rule requires that the maximum aggregate payment under a STLD medical plan must be at least $1million. Given the 3 month duration of these plans, this is at least equivalent to a minimum annual limit of at least $1million.
Comment: Minimum lifetime aggregate payment should be at least $100,000. (Sandra Woods-the Benefit Academy)	**Response:** The Commissioner appreciates this comment and believes that given today's health care prices, a minimum aggregate payment should be set at $1million.
Comment: Do not allow a cap on maximum lifetime payments. Minimum lifetime aggregate payment standard should be at least $1million. (Lucy Culp et al; NoHLA)	**Response:** The Commissioner appreciates this comment. Given that a STLD medical plan is capped at 3 months and can only be purchased for 3 months in any 12 month period, prohibiting a cap on maximum lifetime payments is not necessary.
Comment: Supports limiting look-back period to 24 months. (American Medical Assn.)	**Response:** The Commissioner appreciates this comment.

Comment: Ban use of pre-existing condition exclusions or reduce the duration of the PEC look-back period. Give consumers credit toward their PEC exclusion for PEC exclusionary periods satisfied under their prior coverage. Lucy Culp et al; Northwest Health Law Advocates)	**Response:** During OIC's stakeholder engagement in this rulemaking proceeding, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards for STLD medical plans related to benefits covered, maximum coinsurance rates, minimum standards for the maximum aggregate payment and deductibles.
Comment: Supports measures to further limit medical underwriting. (SEIU 1199)	**Response:** During OIC's stakeholder engagement in this rulemaking proceeding, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards for STLD medical plan related to covered services, maximum coinsurance rates, minimum standards for the maximum aggregate payment and deductibles. STLD medical plans are designed to offer stop-gap coverage for a very limited period of time. They are not intended to offer comprehensive coverage comparable to ACA-compliant plans.
Comment: Do not require STLD medical plans to use a provider network. (Cambia)	**Response:** The Commissioner appreciates this comment.
Comment: Add a provision requiring a full episode of care to be covered if the insured is hospitalized on the expiration date of the STLD medical plan. (WA State Hospital Assn.)	**Response:** Language addressing this issue was added to the proposed rule at WAC 284-43-8000(1)(a)(ii)(C). It is retained in the final rule.
Comment: Require STLD medical plans to use community rating. (Planned Parenthood)	**Response:** During OIC's stakeholder engagement in this rulemaking proceeding, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards

	for STLD medical plans related to covered services, maximum coinsurance rates, minimum standards for the maximum aggregate payment and deductibles. STLD medical plans are designed to offer stop-gap coverage for a very limited period of time. They are not intended to offer comprehensive coverage comparable to ACA-compliant plans.
<u>Marketing and Disclosure</u>	
Comment: Supports ban on sales of STLD medical plans that would have an effective date of January 1 of the upcoming year during the individual market open enrollment period. (Lucy Culp et al; Northwest Health Law Advocates, WA Health Benefit Exchange)	**Response:** The Commissioner appreciates this comment.
Comment: Require sale of STLD medical plans year round. Opposes limitation on sales during the individual market open enrollment period. (Premera, Cambia)	**Response:** A consumer can purchase a health plan during the open enrollment period for coverage that begins any date up to January 1. That coverage can run into the new year. Allowing consumers to buy coverage that begins January 1 of the upcoming year presents too great a risk of consumer confusion at time when consumers have a choice of a range of ACA-compliant plans.
Comment: Support disclosure form and consumer acknowledgment requirements; add simple definitions of terms; add reference to pre-existing conditions to the text box; add that loss of STLD medical plan coverage does not qualify for a special enrollment period; add disclosure as to whether there are provider network limitations and additional disclosures related to covered services. (American Medical Assn., Lucy Culp et al; SEIU 1199, Northwest Health Law Advocates, WA Health Benefit Exchange, Sandra Woods – The Benefits Academy, Kaiser Permanente Washington, Kaiser Permanente Northwest,	**Response:** The Commissioner appreciates this comment. These suggestions are reflected in the language of the final rule in WAC 284-43-8010.
Comment: Require translation of disclosure forms for language access; include a means to identify consumers who are limited-English speaking. (SEIU 1199, Northwest Health Law Advocates)	**Response:** The Commissioner appreciates the challenges faced by consumers who are limited-English speaking. Rather than include language access requirements specific to STLD medical plans, the Commissioner is exploring the issue of language access more broadly, with respect to its website, and insurance coverage broader than STLD medical plans.

Comment: Require that STLD medical plans be sold only through licensed brokers and agents; and not purchased by consumers on their own. (Premera)	**Response:** There are consumers who would prefer to purchase online directly from carriers, as is currently the case with the carrier offering STLD medical plans in Washington state. The required disclosures under WAC 2840-43-8010 are intended to provide clear explanation of the limitations of STLD medical plans.
Comment: Support consumer acknowledgement of receipt and review of disclosure form; do not require "e-signature". Adapt the acknowledgement to accommodate consumer purchasing directly from a carrier. Allow signature by authorized signer. (Cambia)	**Response:** The Commissioner appreciates this comment. The final rule allows consumer acknowledgement of receipt and review of the form to be by signature or name.
<u>Cancellation and Rescission of STLD medical plans</u>	
Comment: Ensure consumer protection by limiting cancellation and rescission related to false statements to consumer acting with intent to deceive. (Northwest Health Law Advocates)	**Response:** The Commissioner appreciates this comment. It is reflected in revised language in WAC 284-43-8030(4) and (5).
Comment: Allow rescission for non-payment of initial premium payment, cause (such as making a fraudulent claim), providing fraudulent information to a carrier and intentional misrepresentation of a material fact by an insured. Define date of termination. Reduce carrier advance notice requirement from 20 days to 10 days. (Sandra Wood – The Benefits Academy)	**Response:** The rule allows rescission of a STLD medical plan if a member commits fraudulent acts and for a member's intentional nondisclosure regarding his or her coverage under a STLD medical plan. In addition, a STLD medical plan can be cancelled for nonpayment of premium. The final rule allows 10 days advance notice of cancellation or termination if the remaining duration of the STLD medical plan would make it impossible for the carrier to provide notice twenty days prior to the cancellation or rescission date.
Comment: Clarify cancellation and rescission language. A consumer having overlapping coverage should be permitted and not a reason for cancellation of rescission; however STLD medical plans should be excess-only to any other coverage. In some circumstances, cancellation or rescission for non-payment of premium can be retroactive – the effective date of the cancellation or rescission should always be the first day following the coverage period for which full payment has been made. (Premera)	**Response:** The rule is silent as to whether a consumer can have overlapping coverage. It is the carrier's decision as to whether a consumer's not having other coverage is a condition of eligibility. If it is a condition of eligibility, it must be disclosed under WAC 284-43-8010. Cancellation for non-payment cancels the policy as of the first day following the coverage period for which payment has been made. Rescission means that no contract ever existed. Therefore, any premium paid for the rescinded policy must be returned and no coverage ever existed under that policy.

Comment: Clarify language. Allow rescission when carrier discovers that the member was ineligible for coverage. Twenty days advance notice is too long a period. (Cambia)	**Response:** WAC 284-43-8030 allows rescission due to a member's intentional nondisclosure regarding his or her coverage under a STLD medical plan. The final rule allows 10 days advance notice of cancellation or termination if the remaining duration of the STLD medical plan would make it impossible for the carrier to provide notice twenty days prior to the cancellation or rescission date.
Other	
Comment: Codify these provisions outside of Chap. 48-43 WAC or clearly state in the rule that STLD medical plans are not "health plans". (Cambia)	**Response:** RCW 48.43.005(26) clearly states that STLD medical plans are excepted from the definition of "health benefit plan" or "health plan". That exception also appears in WAC 284-43-0160(16). OIC considered codifying the STLD medical plan rule in another WAC chapter, and chose to treat these plans similarly to stand-alone dental and vision plans, which are also excepted from the definition of "health plan" in statute and WAC. This approach places the regulation of these excepted plans into distinct subchapters within chapter 284-43 RCW.
Comment: Supports prior approval of STLD medical plan rates. (SEIU 1199)	**Response:** The Commissioner appreciates this comment.
Comments in response to CR-102	
General comments	
Comment: We support the proposed rule. The new provisions will help ensure enrollees have reasonably robust coverage under STLD medical plans. The limits on renewability will reduce the potential to undermine the ACA marketplace. The notice provisions will ensure enrollees are aware of the limits of the coverage. (Washington State Hospital Assn)	**Response**: The Commissioner appreciates this comment.
Comment: The proposed rule strikes an appropriate balance of allowing STLD medical plans to be offered in reasonable circumstances, without encouraging additional utilization of these plans. (Washington State Medical Assn)	**Response**: The Commissioner appreciates this comment.
Comment: NAMI Washington supports the draft rule. Short-term limited duration plans without minimal benefits would not provide consumers with	**Response:** The Commissioner appreciates this comment.

adequate medical coverage, and will destabilize risk pools leading to high premiums across the health insurance market. (NAMI Washington)	
Comment: As written, the proposed rule supports the shared position that STLD coverage for not be considered a substitute for ACA-compliant individual health insurance coverage. (Premera)	**Response**: The Commissioner appreciates this comment.
Comment: Consider including an exception in the proposed rule for medical benefits provided incidentally as part of a travel insurance plan providing coverage while an individual is travelling more than 100 miles away from home. The Proposed Rule may unintentionally subject the incidental medical benefits often included in travel products. (Greg Mitchell, Frost, Brown, Todd)	**Response**: For the purposes of this rule, incidental medical benefits that are included as part of a travel policy and only provide medical benefit coverage during the travel period as listed on the Certificate of Coverage are not considered to be STLD medical plans. The Commissioner did not amend the proposed text based upon this comment.
Comments relating to the definition of short-term limited duration medical plan	
Comment: Re proposed WAC 284-43-8000(1)(a)(ii)(C), support inclusion of this subsection. Small concern to clarify the language to reflect intent to continue coverage for patient who is in the hospital on or before the expiration of coverage. Amend "on the expiration date" to read "as of the expiration date of the medical plan". (WSHA)	**Response**: The Commissioner appreciates this comment. OIC interprets the language "If a member is hospitalized" in the rule to refer to the entire period that the person is hospitalized. The language change suggested by WSHA does not appear to add further clarity to that interpretation. The Commissioner did not amend the proposed text based upon this comment.
Comment: Is it the intent of proposed WAC 284-43-8000(1)(a)(iv) to not include hemodialysis on an outpatient basis as mandatory coverage? The commentor notes that individuals with chronic kidney disease would likely be denied coverage through underwriting. (Fresenius Medical Care)	**Response**: OIC reads the language in subsection (iv) as encompassing hemodialysis if it is needed to diagnose or treat a covered condition.
Comment: 90 day limit on STLD medical plans will not meet the needs of consumers who may need coverage for a longer duration and don't want to purchase ACA-compliant coverage. Commenter supports the federal rule language. (Denny Eister)	**Response**: The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition,

	allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market. The Commissioner did not amend the proposed text based upon this comment.
Comment: Three month maximum duration is too short. STLD medical plans should be an alternative for people who find coverage in the ACA-compliant market unaffordable. This will be the case given the rate increases for 2019 plans and high deductibles. SLTD medical plans also should be an option for people who become unemployed. (Health Insurance Innovations)	**Response**: The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market. The Commissioner did not amend the proposed text based upon this comment.
Comment: Should allow STLD medical plans to be sold during open enrollment for coverage effective January 1 to meet the needs of people who only need coverage for the first couple of months of the year while awaiting employer-sponsored coverage or student coverage to begin. The 90 day limit on coverage should be per calendar year v. a 12 month period. 90 days is too short for someone who unintentionally missed the special enrollment	**Response**: A consumer can buy a health plan during the open enrollment period for coverage that begins any date up to January 1. That coverage can run into the new year. The risk of consumer confusion is too great, given that consumers have a choice of a range of ACA-compliant plans. This change would effectively allow coverage for 6 months of coverage every other year, which is inconsistent with the intent of the rule that STLD medical plans act as stop-gap coverage. In addition, this change would only benefit people with a gap from October to March, treating people differently for reasons they might not be able to control. The Commissioner received information for the period of 2015-2018 from the only carrier

time period or who has had their ACA-compliant plan cancelled for non-payment of premium and needs coverage for more than 3 months to get them to the upcoming year. Should allow coverage to last to December 31. Allow multiple policies to be held over the course of a year if the total duration of those policies does not exceed 90 days. (Sarah Freeman, Mutual Benefits Inc.)	actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market. OIC acknowledges that impact that this provision could have on individuals who missed an open enrollment or special enrollment period opportunity. However, given medical underwriting in STLD medical plans, such a policy would also provide healthier individuals with a coverage option not available to people with pre-existing health conditions. The Commissioner did not amend the proposed text based upon this comment. WAC 284-43-8000(3) would allow this.
Comment: Support limiting STLD medical plans to 3 months, nonrenewable. However, the more STLD medical plans look and function like ACA-compliant plans, the more it will increase confusion for consumers and decrease affordability. (Cambia)	**Response:** The Commissioner appreciates this comment.
Comment: PEC look-back period: A longer look back period would be more appropriate. Allow a look back period of 60 months to help reduce the cost of these temporary plans. (Cambia)	**Response**: OIC acknowledges that there is a need for stop-gap coverage for Washington consumers through STLD medical plans. In developing the standards for these plans, OIC attempted to balance access to coverage against affordability and concluded that a 2-year look back period is a reasonable standard.

	The Commissioner did not amend the proposed text based upon this comment.
Comment: Deductible: Agree with approach of at least one plan having a deductible of $2000 or less, but are concerned that over time, with medical inflation, may need to amend the rule in the future. (Cambia)	**Response:** If medical inflation increases to the extent that a review of the deductible standard is needed, the Commissioner can consider amending the rule.
Comment: Three-month maximum: Should allow one more reapplication for up to 3 months coverage in a 12 month period. Strike the 3 month maximum in a 12 month period provision from the rule. Also, add the following language to the end of proposed WAC 284-43-8000(3): "The carrier is not responsible for verifying enrollment with other short-term medical carriers before issuing a policy." (Cambia)	**Response:** The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market. The Commissioner did not amend the proposed text based upon this comment. Under the rules, the consumer has an obligation to provide the information requested in their application, and the carrier can rely upon that. The carrier does not have an affirmative obligation to verify enrollment with other carriers.
Comment: Prohibition on sale during open enrollment: For consumers who only need coverage during the first 2-3 months of the calendar year while awaiting other coverage to begin, e.g. employer sponsored coverage, STLD medical plans should be an option. Could lead a person to buy ACA-compliant coverage during open enrollment and then drop that coverage to buy a STLD medical plan after open enrollment. Remove this provision from the rule.	**Response:** A consumer can buy a health plan during the open enrollment period for coverage that begins any date up to January 1. That coverage can run into the new year. The risk of consumer confusion is too great, given that consumers have a choice of a range of ACA-compliant plans. The Commissioner did not amend the proposed text based upon this comment.

(Cambia)	
Comment: Provider network: Support the fact that the proposed rule does not include requirements related to provider networks. (Cambia)	**Response**: The Commissioner appreciates this comment.
Comment: Agrees with proposal to limit duration to no more than 3 months. Appreciates clarification of subsection (1)(3) and definition of pre-existing condition. Recommends that OIC review definition of pre-existing condition in RCW 48.43.005(30)(sic) to ensure proposed rule language is consistent with existing language. Remove subsection (5)(c) as it is redundant with subsection (3). (Premera)	**Response:** The Commissioner appreciates this comment. The definition of pre-existing condition in RCW 48.43.005(3) relates to health plans under chapter 48.43 RCW and prohibitions on the use of pre-existing condition exclusions in individual and small group health plans. It is not relevant here. Subsection (5) of WAC 284-43-8000 is intended the address the use of differing terminology to refer to STLD coverage in the federal rule and Washington state law. The federal rule uses the term "short-term limited duration insurance", while Washington state law refers to this coverage as "short-term limited duration medical plans". Using the authority provided to states under the federal rule to further regulate STLD coverage, the language of subsection (5) identifies the respects in which such coverage offered in Washington state differs from that allowed in the federal rule. The Commissioner did not amend the proposed text based upon this comment.
Comment: STLD medical plans should have an initial 6 month period, with one additional period, with no coverage for pre-existing conditions for either period. Allow two 6 month periods in any 24 month period. Consumers who miss the open enrollment period, or find out later that their Medicaid coverage has ended, etc. should be able to buy STLD coverage until the end of the calendar year and then enroll through the Exchange for the upcoming year. (Jeffrey Johnson, CEBS, JBJ Insurance Group)	**Response:** The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose

	only option for coverage is the ACA-compliant market. OIC acknowledges that impact that this provision could have on individuals who miss an open enrollment or special enrollment period opportunity. However, given medical underwriting in STLD medical plans, such a policy would also provide healthier individuals with a coverage option not available to people with pre-existing health conditions. The Commissioner did not amend the proposed text based upon this comment.
Comment: Do not support a three month limitation with no option to renew or extend STLD medical plan coverage. Due to online billing, electronic payments, etc. billing disputes can occur resulting in cancellation of coverage for nonpayment. Without an SEP, people will only be able to get 3 additional months of coverage. More will be uninsured. STLD medical plans should be permitted to offered for up to 12 months on a nonrenewable basis. (Patrick Connor/NFIB)	**Response:** The Commissioner received information for the period of 2015-2018 from the only carrier actively marketing STLD medical plans in Washington State. That information indicates that almost 95% of individuals purchasing a STLD medical plan purchased only one policy for a period of up to 3 months. This data does not indicate a demand for STLD coverage in excess of 3 months. In addition, allowing coverage under a STLD medical plan for longer periods of time could incentivize healthier individuals to purchase STLD medical coverage as an alternative to ACA-compliant coverage. The existence of such a market alongside ACA-compliant plans could result in increased costs for individuals with pre-existing conditions whose only option for coverage is the ACA-compliant market. OIC acknowledges that impact that this provision could have on individuals who miss an open enrollment or special enrollment period opportunity. However, given medical underwriting in STLD medical plans, such a policy would also provide healthier individuals with a coverage option not available to people with pre-existing health conditions. The Commissioner did not amend the proposed text based upon this comment.
Comment: The OIC proposed rule will help ensure STLD plans provide protections for all consumers. Support the 3 month duration with no renewability. Support the prohibition on sale	**Response**: The Commissioner appreciates this comment.

of STLD plan during open enrollment. These protections will help to ensure that STLD plans are purchase when they are necessary, and do not appear as substitutes for health insurance. Request that studies provided at the hyperlinks in the comments be considered part of the APA administrative record for this matter. (Laura Keller/ American Diabetes Assn)	
Comment: Strongly support duration and renewability provision as well as provision that limits STLD coverage to 3 months in a six month period. Also supports prohibition on sale of STLD medical plans during open enrollment period for coverage beginning on January 1. (Washington Health Benefit Exchange)	**Response**: The Commissioner appreciates this comment.
Comment: Support revisions from stakeholder draft to CR-102. The 24 month PEC look back period is too long. Should allow portability of coverage without pre-existing condition exclusions for people who had coverage until shortly before applying for a STLD medical plan (i.e. as in the pre-ACA Washington state insurance market). (Janet Varon, Northwest Health Law Advocates)	**Response:** During OIC's stakeholder engagement in this rulemaking proceeding, stakeholders expressed concern that the availability of STLD medical plans could draw healthy, young individuals from the ACA-compliant individual market. The more STLD medical plans resemble ACA-compliant health plans, the more appealing they might be as an alternative to ACA-compliant coverage. The rule includes minimum standards for STLD medical plans related to covered services, maximum coinsurance rates, minimum standards for the maximum aggregate payment and deductibles. The look-back period of 24 months is substantially shorter than the 5 year look back period used in STLD medical plans currently offered in Washington State. It represents a compromise that will allow more people to qualify for coverage while acknowledging that it could have the effect of increasing STLD medical plan rates. Allowing credit against pre-existing condition waiting periods could have a material impact on rates and on carriers' willingness to offer STLD medical plans at all in Washington state. STLD medical plans are designed to offer stop-gap coverage for a very limited period of time. They are not intended to offer comprehensive coverage comparable to ACA-compliant plans. The Commissioner did not amend the proposed text based upon this comment.

Comments related to standard disclosure form for short-term limited duration medical plans	
Comment: The provision of the disclosure form noting that the medical plan is not required to comply with the ACA, and that consumers should check to see if hospitalization is excluded or limited is inconsistent with language of the rule requiring that hospitalization be covered. (Fresenius Medical Care)	**Response**: The language referenced by the commenter is required disclosure language under federal rules (See 45 CFR 144.103(2)). It must be included, verbatim, in the state disclosure form. The Commissioner did not amend the proposed text based upon this comment.
Comment: The disclosure form lists services and directs carrier to describe whether the services are covered or not, and if covered any limitations. Insert language: "For each benefit listed below, if not covered, list "Not covered". If covered, *to include those required to be covered by WAC 284-43-8000,….."* The listing of benefits does not include all of the required benefits. Hemodialysis is one example. At all minimum, all of the required services should be included in the list. (Fresenius Medical Care)	**Response:** If OIC were to receive a filing that did not include coverage of IP and OP hospital services, that filing would be disapproved until corrected. Every consumer disclosure for those services would state that the service is covered, with any limitations, such as cost-sharing, noted. Having to list every possible required service under the disclosure would be too complex for consumers. The services listed are the major categories of services that the majority of consumers would be impacted by. The Commissioner did not amend the proposed text based upon this comment.
Comment: Supports disclosure provision. (Cambia)	**Response**: The Commissioner appreciates this comment.
Comment: Strongly support the required disclosure form, as well as requirements for carriers to verify delivery of the disclosure and retain the applicant acknowledgement of the disclosure for 5 years. Urge OIC to monitor consumer response to STLD medical plans over the coming year and re-address disclosure requirements if experience indicates that consumers continue to experience confusion. (Washington Health Benefit Exchange)	**Response**: The Commissioner appreciates this comment, and will monitor consumer response by tracking consumer complaints filed regarding STLD medical plans and carefully considering any other information that comes to the agency on this issue.
Comment: Language access provisions should be included in the rule as follows: • OIC should translate the disclosure form into at least the 10 most commonly spoken languages in Washington, with website links to the translated disclosures.	**Response:** The Commissioner appreciates the challenges faced by consumers who are limited-English speaking. Rather than include language access requirements specific to STLD medical plans, the Commissioner is exploring the issue of language access more broadly, with respect to its

• OIC should require brokers, agents and carriers to identify LEP individuals and issue the disclosure to prospective purchasers that speak these languages. • OIC should ensure that brokers, agents and carriers identify and provide LEP applicants with phone interpreter services at no cost to individuals who speak a language other than English. • OIC itself, and OIC should require brokers, agents and carriers to make information on language services for individuals who are deaf, deaf/blind and/or have other special communication needs, with full instructions on how to request services. (Janet Varon, Northwest Health Law Advocates)	website, and insurance coverage broader than STLD medical plans.
Comment: The disclosure requirements in WAC 284-43-8010 are largely redundant of the required language in the final federal rule. Language in disclosure form noting that coverage is not comprehensive is in conflict with the reference to "comprehensive major medical coverage". (Health Insurance Innovations)	**Response:** The additional disclosure requirements in WAC 284-43-8010 provide critical information in addition to that which is required under the federal rule. Clear and comprehensive disclosure requirements are essential. OIC has received almost 200 complaints from consumers in the last several years regarding the scope and terms of STLD medical plan coverage. The language in the disclosure form is not in conflict with the reference to comprehensive major medical coverage. The essential health benefits that must be offered in ACA-compliant plans are much broader than traditional major medical coverage, i.e. substance use disorder and mental health treatment and full prescription drug coverage are included in the essential health benefits. The Commissioner did not amend the proposed text based upon this comment.
Comments in response to prior approval of rates and forms	
Comment: In determining whether the benefit provided is reasonable in relation to the premium charged, if OIC is considering using a minimum loss ratio standard, a comparison to an MLR for a comprehensive major medical plan is not appropriate. The MLR for a STLD medical plan is typically around 50%. (Cambia)	**Response**: The Commissioner appreciates this comment.
Comments in response to STLD medical plan cancellation and rescission	

Comment: Appreciate additional of definitions to this section. Should include a statement that will clearly make STLD medical plans excess-only to any other coverage the individual may have at the same time. (Premera)	**Response**: The rule is silent as to whether a consumer can have overlapping coverage. It is the carrier's decision as to whether a consumer's not having other coverage is a condition of eligibility. The Commissioner declines to make STLD medical plans excess to any other coverage. The nature of these plans is that consumers purchasing them, for the most part, have no other coverage. In addition, no reason has been offered to include such a requirement.

Implementation plan

Implementation and enforcement of the rule

The OIC intends to implement and enforce the rule through the Consumer Affairs Division, the Rates and Forms Division and the Market Conduct Oversight Unit, which is part of the Company Supervision Division. Using existing resources, OIC staff will continue to work with carriers, broker and agents, consumers, and other interested parties in understanding and complying with the requirements of the rule. The Consumer Affairs Division will monitor consumer complaints related to sale of short term limit duration medical plans and will investigate consumer complaints that are received.

How the agency will inform and educate affected persons about the rule

After the agency files the permanent rule and adopts it with the Office of the Code Reviser:

- Policy staff will distribute the final rule and the Concise Explanatory Statement (CES) to all interested parties by posting and sharing the documents through the OIC's standard rule making listserv and emailing the documents to stakeholder participants.
- The Rules Coordinator will post the CR-103 documents on the OIC's website.
- OIC staff will address questions as follows:

Type of Inquiry	Division
Consumer assistance	**Consumer Protection Division**
Rule content	**Rates and Forms**
Authority for rules	**Policy and Legislative Affairs**
Enforcement of rule	**Legal Division**
Market Compliance	**Company Supervision**

How the agency intends to promote and assist voluntary compliance for this rule

The steps listed under implementation will inform and educate affected persons on the changes and help promote voluntary compliance. The OIC's Rates and Forms Division will also add these requirements to its analyst checklists, which carriers use to ensure that their plans comply with all applicable state and federal laws.

How the agency intends to evaluate whether the rule achieves the purpose for which it was adopted

The OIC will work closely with carriers, brokers and agents, consumers, providers, and other interested parties to evaluate the effectiveness of the rule as well as to monitor consumer complaints and to monitor carriers for non-compliance.

Appendix A – Hearing Summary

Summarizing Memorandum

To: **Mike Kreidler, Insurance Commissioner**

From: **Jane Beyer, presiding official for rule hearing**

Matter: **Rule 2018-01**

Topic: **Short-term Limited Duration Medical Plans**

This memorandum summarizes the hearing on the above-named rulemaking, which was held on September 26, 2018 at 1:00 p.m. in Olympia. I presided over this hearing in your place.

The hearing began at 1:06 p.m.

In attendance and testified:

- Christine Gibert
    - Because Christine Gibert's testimony did not differ from the written comments that the OIC received in the comment letter from the Washington Health Benefit Exchange, the applicable Commissioner's response for the written comments on the subject applies to the comments that Christine Gibert mentioned during the hearing.
- Dougal Mackenzie
    - Dougal Mackenzie described the challenges related to affordability of individual health plans for young people. He testified that OIC should adopt the policies included in the final federal short-term limited duration insurance regulations so that young people can access more affordable coverage. He noted that this policy could have the effect of making coverage more expensive to people

purchasing individual health plans.

The hearing was adjourned.

SIGNED the 26th day of September, 2018

Jane Beyer, Presiding Official