

April 1, 2022

Sent via email: Lisa.Emerson@dcbs.oregon.gov

Lisa Emerson

Department of Consumer and Business Services

Division of Financial Regulation

350 Winter Street, NE

Salem, OR 97309

RE: Draft Rule Language for Association Health Plan (AHP) Regulation

Dear Ms. Emerson:

On behalf of Providence Health Plan (Providence), we appreciate the opportunity to comment on the proposed Association Health Plan (AHP) rule language submitted to stakeholders by the Department of Financial Regulation (DFR). We commend the DFR for taking action to offer greater clarity to health plans, associations, and their respective employer groups on AHP regulation and offer the following comments.

AHP Filing Requirements: It is critical the DFR define the required criteria and format necessary when filing a new AHP or an update to an existing AHP. In our recent rulemaking workgroup meeting, the DFR indicated there will be new product standards or updated transmittal template issued to health plans to align all AHP filings. We respectfully ask the DFR release those new product standards or updated transmittal in addition to or immediately following issuance of the finalized rule language. We also request the DFR provide a defined time limit to approve, deny or pend for further information a submitted AHP filing. This will provide greater consistency for all associations and the groups impacted by the filing.

Documentation Required for Bona Fide Status: We appreciate the DFR providing greater detail on required documentation to ensure bona fide status of a new or existing AHP. In section (3)(e)(A), the draft language itemizes a list of criteria required in an AHP filing to identify the association's "commonality of interest" beyond issuing a health plan to member groups. We ask the DFR review all mandated criteria more narrowly in the product standards or transmittal documents so all AHP filings are responding to the same request in a similar manner. We also ask the DFR to better define "preexisting relationships of any of the employer-members of the employer association" and explain how best an AHP filing can provide such relationships.

Employer Group Compliance: In section (6) of the draft language, when an AHP is found non-compliant with the new regulatory standards, the DFR is permitted to allow a health plan to continue offering coverage pursuant to a transition plan for "up to three years." Allowing the DFR to determine a transition timeframe of up to three years based on the surrounding facts of

the filing will provide a smooth transition for the impacted groups and health plan consumers. We ask the DFR maintain this permissive language to allow members enough time to find alternative and adequate coverage based on their specific needs. We also request the DFR provide a filing requirement for associations to attest to the documents and information sent to a health plan needed for the final DFR filing. This could be in rule or in the product standards or transmittal form.

As we stated in previous written comments, Providence supports the DFR's efforts to clarify the requirements for AHPs in Oregon and believe the proposed rule language can establish clear standards for AHP regulation moving forward. Please do not hesitate to contact me to discuss our feedback or provide further comment.

Sincerely,

Jennifer Baker
Director of Government Affairs
Providence Health Plan