



Meeting Notes
Division of Financial Regulation
Insurance Advisory Committee

January 26, 2021
10:00am-12:00pm

Call to Order: Jennifer Baker, Chair

Chair Jennifer Baker, welcomed everyone.

In attendance included: Consumer representatives: Jerry Cohen, Jim Davis and Tamara Bakewell.

Industry representatives included Jennifer Baker, Eric Cutler, James Workinger, Ryan Chieffo and David Nessler-Cass.

Industry Producers included: Wendy Abel-Hatzel, Christopher Boone, Dawn Miller, Patrick O'Keefe and David Willis.

DCBS/DFR staff included Commissioner Stolfi, Tricia Goldsmith, Brian Fordham, TK Keen, Alex Cheng, JP Jones, Jesse O'Brien, Nuni Griffith, Cassie Soucy, Veronica Murray and Nancy Yuill.

Committee Action and Division Reports and Discussion

1. Executive Committee Election: Each of the three groups (Consumer, Industry Producers and Industry Reps) nominated the individuals who served in 2020; the Committee as a whole voted to confirm. The respective representatives then agreed to serve in their positions on the Executive Committee for 2021: Jennifer Baker (Chair), Christopher Boone (Vice Chair) and Jerry Cohen (Secretary). The overall committee voted to elect these officers in these respective positions.
2. Commissioner Stolfi's Report
 - Budget: The Governor's Recommended Budget submitted sustains those funding areas requested by DCBS and DFR. The agency will be prepared to lobby the Legislature to sustain this budget.
 - Staffing update: An ORT chart was shared already. Information was shared regarding the new DCBS Deputy Director coming from the Governor's Office and extensive background; TK Keen is no longer "acting" but full title of DFR Administrator; Alex Cheng is Acting DFR Deputy; so his former manager of policy position will be filled as rotation. JP Jones will be retiring at end of April. so there is a need to fill his deputy position temporarily, and then both deputy positions will go out for recruitment after session. Kevin Jeffries Liaison position is in final interview stages...and the three IAC Executive Committee members will participate in the final round of interviews. IAC member Jim Davis applauded this and noted the invaluable role of this position.
 - COVID Quarantine Relief Fund update: The \$30 million fund was assigned to DCBS to set up and distribute as a benefit program to bridge the gap for employees who need to take two weeks of sick leave for quarantine, but their employer does not provide COVID sick leave. This fund fills exemptions that are in the CARES act. The benefit is \$120 a day for up to 10 days. The fund was launched September 16th and there have been over 20,000 claims submitted, 11,000 approved, and averaging 200 claims a day. Average payment is \$1,000 with over \$11.2 million of the original \$30 million spent. Jennifer shared a personal anecdote of how this program has

made a real difference for a child care worker. **Members can help promote the program by sharing the following link www.oregon.gov/covidpaidleave.**

- DFR Equity Work: The work complements that of the Governor's office and Veronica Murray was introduced as heading the DCBS role and effort. A recent "fireside Chat" held by the DCBS Innovation Lab addressed AI Bias and some good dialogue of pro and con action. See dfr.oregon.gov/innovation/Pages/index.aspx for link to this.

DFR creating HB 2043 for the 2021 session: The Auto Fairness bill would address rate factors of auto insurance industry. It at the very least will generate a robust policy discussion. IAC member Eric Cutler raised some questions and concerns regarding impact and unintended consequences including rates on older drivers, the timing with the pandemic and perhaps focus on root causes such as how credit rating companies derive their ratings (something the Biden Administration may be looking at). Jennifer Baker noted that our IAC should indeed focus on equity issues. <https://olis.leg.state.or.us/liz/2021R1/Measures/Overview/HB2043>

3. How DFR is helping with COVID-19 vaccine roll out (TK Keen for Tashia Sizemore):Tashia has helped coordinate with OHA in communications with carriers; noted that we are now as a state averaging 12,000 vaccinations a day. We can also expect OHA will under ORS 743A issue a declaration for insurance carriers. Jerry Cohen raised questions around communications with Medicare eligible persons as lots of info being sent by Feds and yet we know at moment Oregon NOT vaccinating age 65+ right away and many have no idea who will communicate when and how to get vaccination when ready. Patrick Keith noted questions around whether Medicare B or D will pay provider and how Medicare Advantage (C) will handle. David Nessler-Cass noted at least consumer/65+ need not worry about payment, but also agrees having one clear message from providers and recognize sensitively to timing of message is vital. Jerry also raised concerns about persons who lack access or ability to use web and current frustrations with phone systems overloaded. He also urges more education and outreach to combat the scams taking place.
4. Probationary Periods and COVID-19 (TK Keen for Tashia Sizemore):No current guidance, but open for information on problems encountered.
5. Legislative Update (Jessie O'Brien): Given time constraints focus was just on DCBS bills:
 - HB 2042 Balanced Billing (some would call "surprise billing") builds on current law and would address current sunset provision of how out of network fee is reimbursed by carrier. However, the Federal "No Surprises Act" of December 2020 would address the reimbursement approach via an arbitration model. It now needs to be determined what Oregon action would be allowed; this bill may be put on hold.
 - HB 2043 was addressed in dialogue with Commissioner Stolfi.
 - HB 2044 Drug Pricing Transparency would build on past law and would expand data collection.
 - HB 2045 is a placeholder bill to maintain NAIC accreditation.
 - HB 2046 is a placeholder for ACA reconnection pending changes to Federal laws as hoped for.
 - SB 44 addresses LTC Insurance; this will NOT move forward this year.
 - SB 45 addresses exclusion of some life insurance policies where death caused by terrorist attack.

- SB 46 addresses issue of disability insurance appeal rights where ERISA may not cover so as to mirror such ERISA protections for consumer under non-ERISA situations.
6. Digital Signatures (Brian Fordham): There are no written direct prohibitions against use of Digital signatures Brian shared several links to HIPAA related concerns. Bottom line is it seems to fall upon discretion of private company policies. It was pointed out that some companies are frustrated with e-signature companies not addressing liability and data breach issues satisfactorily.
<https://www.hipaajournal.com/can-e-signatures-be-used-under-hipaa-rules-2345/>
<https://www.hhs.gov/hipaa/for-professionals/faq/569/how-may-hipaas-requirements-for-verification-of-identity-be-met-electronically/index.html>
 7. Update on the Prescription Drug Pricing Town Hall (Numi Griffith): Building upon HB 4005 enacted in 2018, DCBS hosted a town hall in 2019 and a virtual one in late 2020. The latter had over 70 participants excluding presenters. Among the many great presentations and information, the Colorado and Maryland programs offered some great insights moving forward. The web link to these programs and reports are available. As noted in Jesse's report, HB 2044 would help expand data collection for the Drug Pricing Transparency work.
<https://dfr.oregon.gov/drugtransparency/Pages/index.aspx>
 8. Roundtable discussion: Jennifer Baker urged ALL IAC members to help recruit for the two current vacant positions (Consumer Representatives) with a focus upon diversity voices at our table. Use the Charter to help explain the IAC and role of representatives. She also asked what if anything DCBS/ DFR knows about the Biden Administration opening up the ACA Exchange. Commissioner Stolfi noted that he is trying to get more information and we can assume will require more outreach and education once we are clear on this. <https://dfr.oregon.gov/news/2020/Pages/20201223-multistate-aca-recommendations.aspx>

The meeting was adjourned 10 minutes early!