

**Meeting Minutes for Department of Consumer & Business Services (DCBS)/Division of Financial  
Regulation (DFR) Insurance Advisory Committee January 28, 2020**  
Labor & Industry Building, Room F (basement)

**Call to Order: Jennifer Baker, Chair** Meeting was convened at 9:05 am with Roll call. Staff in attendance: Commissioner Stolfi, Brian Fordham (Insurance Product Regulation & Compliance-Property Casualty); Tricia Goldsmith (Consumer Education & Advocacy), Tashia Sizemore (Insurance Product Regulation & Compliance-Life & Health), Jesse O'Brien (Policy Team) and Kevin Jeffries (Consumer Outreach Liaison). Several new members shared their backgrounds with the Committee. A roster and information with brief biographies of each member is being compiled by Kevin Jeffries for placement on a website for the Committee to use (the site is still under construction, so e-mails with information will be shared pending launch of the website).

**Special Recognition: Kevin Jeffries, staff liaison** On behalf of the Department, Division and Committee, Kevin recognized the 25+ years of service to the Committee from its inception under then Governor John Kitzhaber to present of **Jim Davis**. Jim has been a strong consumer advocate for these many years and remains dedicated to his work on the Committee.

**Division Reports and Information**

Commissioner Stolfi updates:

- It was announced that DFR Policy Director Richard Blackwell has left the agency and has started work with PacificSource. In the interim, Commissioner Stolfi will handle the work pending a new hire.
- **Long Term Care Insurance:** “Legacy” policies present a complex challenge for the industry, regulators and consumers. The Commissioner serves on a National Association of Insurance Commissioners (NAIC) workgroup seeking to address. Meanwhile, the Commissioner and Product Regulation & Compliance-Life & Health Section Manager Tashia Sizemore has organized a Free Public Forum on Long-Term Care Insurance on Friday, January 31 from 2-5 pm. (see handout #1 which includes live streaming web link). Committee members with questions they would like to have addressed should forward those to Tashia. Committee members discussed ways to further consumer input beyond the Forum including the role the State Health Insurance Benefits Assistance program (SHIBA) which is under DCBS can help. They also raised questions about how post-legacy products are evolving and being regulated as well as consumers educated. Commissioner Stolfi noted he held a listening session recently with long-term care providers to hear their experiences and concerns, too.
- **Sustainable Health Care Cost Growth Target Implementation Committee:** (See handout #2) The Commissioner reviewed the handout and noted he serves on the Implementation Committee, too. They meet again in February to pin down methodology and indicators. Committee members asked how consumers (includes agencies and plans) can secure input and track work. Commissioner Stolfi noted all is on line and the meetings are open including public comments. He suggested Google under Oregon health Authority to find rosters, meetings etc. There was a robust discussion on diversity and equity across state geography and socio-economic differences as well as areas where a shortage of health providers who may exert undue leverage and may also limit access. Finally, there were questions about enforcement of set goals/targets. The reality seems to be under current law public hearings would require explanations/rationales for exceeding targets, but would amount to public shaming, not set penalties. The implementation of measures under statute is January 1, 2021; it is unclear whether further legislation will be required.
- **Brief discussion of concern:** A Committee member raised concerns about toll-free and web-based companies where the “agent” may technically be licensed in Oregon, but is based out of

state. And this led to further discussion of plans which are not approved in Oregon. Tashia urged any and all members to alert her and DFR whenever a concern is raised.

Committee Liaison Kevin Jeffries update and presentation:

- **Review of new DFR Org. Chart and the different DFR functions:** (see handout #3 the ORT chart plus Kevin's PowerPoint). There were numerous testimonials by Committee members of the value of the Consumer Advocates team; how they can serve as the neutral party when agents and providers as well as consumers might be accused of a conflict of interest. They also serve to flag systems issues that go beyond a particular complainant.

Jesse O'Brien, senior policy analyst updates and discussion:

- **Legislative updates, 2020 short session:** (See handout Jesse is preparing)
- **2021 Universal home visit benefits & how Commercial as well as Health Savings Plans may be impacted:** SB526 set a mandated goal of establishing "well baby" newborn home visits after birth and before the 12<sup>th</sup> week after birth for all Oregonians. While this can be addressed and to some extent is already under Medicaid, the complexities and costs under Commercial and Health Savings Plans are challenging. A soft rollout in 2020 will cover 8 communities (includes Washington County). Full implementation is to take place January 1, 2021. The Oregon Health Authority (OHA) is responsible for implementation of this program; DCBS/DFR has engaged as advisory to OHA. Committee members raised numerous questions and concerns regarding the implementation as well as costs-containment (or lack thereof) as currently required under this bill. Committee members asked to be kept updated; all laud the intent of the Bill, but are concerned on how it will be implemented under current law.

#### **Advice, Information, Discussions:**

David Willis, producer led a discussion on "Bad Faith" laws allowing and 3<sup>rd</sup> party right of action for "pain and suffering" as restitution. He was concerned that the statutory power of DFR might be "sunsetted" away. Commissioner Stolfi noted that current DCBS/DFR regulator authority which include penalties and can issue "cease and desist" can help avoid costly litigation. ACTION: DFR staff were asked to prepare a report to the Committee on current DFR authority on enforcement of bad faith and if any gaps or threats to it exist.

Chris Boone, producer led discussion on education and outreach objectives to face Religion Affiliation plans (non-QHP) and Short Term Medical plans especially as they pertain to seniors. DFR staff noted that the Short Term Medical plans are not really medical plans that for seniors when they apply for Medicare later than age 65 discover they must pay penalty. And DFR staff noted that they are seeing some Association plans being sold fail to meet legal requirements. For example, Religion Affiliation plans must have been approved plans before 1999! DFR staff are working with the US Department of Labor on some of these issues as well as the Oregon Department of Justice. Committee members asked staff to report back with an update on Association/Affiliation products and how they operate. Tashia noted that DFR is actually pulling together in February some of the Affiliation/Association groups to review language in their bylaws and operations. They are also convening a meeting of agents and insurers of these products for a review. The DFR's concern is that there may be significant fraud and non-compliance. Once data is collected, a Regulatory Advisory Council (RAC) will be created.

Held over for next meeting:

- Discussion on education and outreach objectives on network adequacy HMO vs. PPO—Chris Boone
- A discussion on how the IAC may assist with short notice administrative rule adjustments to things like Federal ACA changes.

Committee Chair Baker reminded all that they can submit agenda items to her, fellow Executive Committee members Chris Boone (vice-chair) and Jerry Cohen (Secretary) and/or Kevin. She also asked for feedback on how the meetings are being run now. Secretary Cohen promised to complete minutes this week and will ask Kevin to attach any handouts. The meeting was adjourned at 11:10.