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LR467 SELECT COMMITTEE
September 17, 2010

[LR467]

The Select Committee on LR467 met at 9:00 a.m. on Friday, September 17, 2010, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR467. Senators present: Kathy Campbell, Tanya Cook, Galen Hadley, Heath Mello, and Jeremy Nordquist. Senators absent: Tim Gay, Chairperson; Mike Gloor, Vice Chairperson; Lavon Heidemann; and Rich Pahls. Also present: Senator Norm Wallman.

SENATOR CAMPBELL: (Recorder malfunction)...Senator Kathy Campbell and Senator Gloor and I are pinch-hitting these two days for Senator Gay, and Senator Gloor had a meeting in Grand Island so I am the designated hitter this morning. We want to welcome you to the continuation of hearings on LR467, which had been introduced by Senator Gay but certainly supported by a great number of senators and the body. Before we start this morning, I would like to have everyone up here introduce themselves and I particularly want to welcome Senator Wallman. I asked him to sit with us. He is not a member of the committee but he is a member of the Health and Human Services Committee and we're just glad that he's monitoring these. Appreciate you coming very much. We'll start on my far right.

MICHELLE CHAFFEE: I'm Michelle Chaffee, legal counsel to the committee.

SENATOR NORDQUIST: Jeremy...oh, I thought you already had introduced. Go ahead.

SENATOR WALLMAN: I'm Senator Wallman, District 30.

SENATOR NORDQUIST: Great. Jeremy Nordquist, District 7, downtown and south Omaha.

SENATOR HADLEY: Galen Hadley from the breadbasket of Nebraska, Kearney and

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Kearney County, 37.

SENATOR CAMPBELL: Erin.

ERIN MACK: I'm Erin Mack, the committee clerk.

SENATOR CAMPBELL: And we have two helpers today. Would you like to introduce yourself?

SONYA SUKUP: Sure. I'm Sonya Sukup. I'm from District 40.

JULIANA BATIE: And I'm Juliana Batie. I'm from District 36.

SENATOR CAMPBELL: They make sure that the person who has the cold has lots of water, so if I start coughing, well, they're making sure I'm not. We are so pleased to see a lot of you back today and this is an important component, obviously, of the national healthcare reform and that is all of the insurance questions, and delighted to have Director Ann Frohman with us today and, unfortunately, not very much longer. Thank you for your service to the state of Nebraska. I was asking her before she came if I could pick her brain even after she left, and she said certainly. So we want to welcome you today, Ann, and I'm just going to let you start off. [LR467]

ANN FROHMAN: (Exhibit 9) Well, thank you, Senator. Good morning, members of the committee. My name is Ann Frohman and, for the record, that's spelled A-n-n F-r-o-h-m-a-n. I'm the Director of Insurance, here today to discuss some of the issues regarding the implementation of the federal Affordable Care Act or what we refer to as PPACA. First, I'd like to thank you for introducing the interim study resolution so we can have a chance to discuss this outside the context of actual specific legislation, and hopefully this will allow us to better get a handle on all of the challenges posed by this federal legislation. I know yesterday was a long day. I was able to listen in to parts,

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although not all of the hearing, but I know there was a lot of good testimony provided and some pretty valuable information. For the Insurance Department, PPACA is going to create some substantial workload and responsibilities for the Department of Insurance. This is a large bill with 2,000 pages of statutory language, plus hundreds of pages of regulations interpreting the law. Simply getting a handle on all of it is a big challenge and that's kind of the challenge that we're in right now in terms of the trenches. Fortunately, I commend the staff at the Insurance Department. They've been able to rearrange their workloads. They're focused on this and working hard to research and understand what the responsibilities are with respect to meeting the federal demands. And we're meeting on a regular basis and new information is coming at us daily, which is...I mean I've never seen anything quite like this. But we're working on it, on the issues, and as they're developing we're staying on top of them. I want to start off at maybe an extremely high level and talk about PPACA, as the way it's really restructuring the way healthcare is financed in this country, Nebraska included, by requiring everyone to buy insurance. This mandate, as we all know, takes effect in 2014. After that date, insurers will no longer be able to decide who they will and will not provide coverage to. They will not be able to base rates on the basis of health status or limit the amount of coverage they're going to provide. The law goes on to prescribe the details, exceptions, additions, and interim provisions, many of which you heard about yesterday and some of which that must be implemented here in the next week. One of our current challenges is that the federal government has significant rule making to do, and I think we heard that yesterday from the testimony by I think just about everyone that testified. Several issues posed by PPACA will not be able to be resolved until these federal rules are adopted and, from our perspective, for example, the rule making has not even started, and you heard this, on what essential benefits are, and that's, you know, a big determinant in the whole coverage and what plans are going to be offering. The federal government is going to examine the Medical Loss Ratio. I think you heard a little bit, although not much, on that. This is a key component of the federal law that mandates that a company spend a certain percentage of premiums collected out on claims, so out of every dollar they bring in, depending on whether it's a large group or

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small group, they have to pay a certain percentage, either 80 or 85 percent, back out in the form of claims payments. It sounds easy enough but it's complicated formula and it's taken the NAIC some time to develop. We have a couple of subgroups working on it, actuarial working on it. It's posed an obvious challenge to the department because it seeks to implement some federal requirements, and it's also a challenge to the insurers because they seek to do business in a new environment and these rules on MLR take place January 1. So it's a challenge for all of us. In this same environment we're also looking at a number of grant opportunities and these grant applications have a very short turnaround for us. Generally, the way this process has worked for us the federal HHS issues a press release announcing the grant to the public. You know, we get that information simultaneously and then we look at it and kind of start our analysis and have a little more than a month on each of these that we've looked at in which to make a decision, not only on whether to apply, which, you think, okay, you can make that decision, but no, when you're looking to apply you're looking at, you know, we're going to be implementing a new program, in essence, whatever the grant requires. So that's a description of, you know, an entirely new system. Under these conditions we've requested funding for two grants. We will review further grant funding opportunities as they arise, and we're avoiding those that require ongoing state funding when the grant expires. We do not want to be in a situation where the state is going to be burdened with continuing obligations, and that's one area that we've really focused hard on. The first \$1 million federal grant was awarded in August and this grant really gets into the bowels of the Insurance Department and what we're doing. We do, in fact, in Nebraska review the rates and forms of insurance companies that sell health insurance; some states do not. And so if you look at the national landscape, there's a lot of confusion, but we've been at it for a long time and we've done a pretty good job. The reason we applied for this grant is because when we looked at it, it will provide us with additional resources to reexamine our rate review processes on health insurance and we're going to use it to look at the information that comes in, how we review insurance rates, some of the software that's used. It's going to be actuarial focused and we hope to get actuarial services to work with our actuarial assistant and just enhance what we're

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doing. So I think it's a great opportunity for us. It's going to benefit the consumers. We also intend to us it to put better, more meaningful information out on the Web. Right now the information on insurance rates with respect to health insurance can be confusing and challenging. We want to...we want to convert it into the text that's meaningful and so folks really understand what's going on with insurance rates, because premiums and the costs of buying coverage is really a function of the costs of medical care. So we're going to use that to do that as well. And a third thing we're going to use it for is there's some trend analysis that needs to be done in terms of what's happening with the insurance marketplace as all of these changes take place. And the actuarial assistance provided is going to allow us to monitor the marketplace, because right now we're getting a lot of questions on what's happening in the marketplace and what will happen between now and 2014. And these are the resources that we're going to use to study that and monitor and have information on what's really occurring and keep our finger on the pulse of those issues. Moving from...I guess the second grant I didn't mention but that's the grant we just applied for and the one that I think most folks are interested in and that's what we call the plan-to-plan grant for the Insurance Exchange. This grant is really...it's a \$1 million grant available to states to study whether or not to participate in an Exchange either at the state level, regional level, or default to a federal Exchange. So the resources can be used to study that and so the big issue of whether the state should be implementing a grant (sic) will be analyzed under that, but it's also important that this grant is going to provide the research and recommendations that can go eventually to the Governor on what makes sense if, in fact, we move forward. And there's a lot of technical issues related to that and it's going to take a lot of time and research. So that's what the second grant is going to do for us. Moving from those process points, I wanted to discuss one of our earlier decision points. It's been a few months but it was the decision on whether or not to operate a new high-risk pool with funding provided by the federal government. As an interim first step, the federal government allocated \$5 billion nationally for states to fund high-risk pool coverage, which in essence will allow more individuals to gain access to health insurance. If you had coverage, though, in the previous six months, you were ineligible for this new

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program. So it was really for those that have been without coverage. And on conference calls, the federal government really didn't commit to further funding and asserted instead, in the face of their own actuarial concerns, that they weren't sure that the funding would be adequate. We kept that in mind because we did not want to be in a situation where if we set up a federal...this federal high-risk pool that the state would be in a situation where we might have to come up with additional resources. They also talked about enrollment caps, and so as we looked further into it, my preference would have been to add the funding in our current state high-risk pool, because we do have a current pool that works pretty well. But unfortunately, we weren't given that option and so, given the choice of whether to run the new pool as a state entity or allow the federal government to do so, we made the recommendation essentially that we allow the federal government to do so. It's worth noting under that, that the current CHIP holders, policyholders in our state-based plan, cannot transfer over because, again, they're not without coverage. So the rates in this new federal high-risk pool are enticing because they're at 100 percent of the market, not at 150 percent. And there are some challenges there that were a little bit frustrating, but we know it's been up and running since July 1. I do not know how many Nebraskans are participating. We haven't received that information, although we've requested it, but we don't think at this juncture it's many. Whether...as time goes by and we get past that six months, it will be interesting to know whether folks are actually planning and calculating to apply for coverage and wait it out and plan it. So that will be an interesting statistic to watch for us. They are using, in this federal high-risk pool, I think...I can't recall how many states joined it, maybe 24, 30, but they're using the federal government employee health plan as the platform for it. So I think on a going forward basis, now that it's up and running, it's probably working okay. We haven't heard much on it. It just doesn't connect with us. Our state high-risk pool also doesn't have much information on it, although they do refer folks. You know, you might want to consider (inaudible). An early mandate in PPACA to the federal Health and Human Services Secretary was to create a Web portal allowing Nebraskans to compare pricing information from all admitted health insurers, and this is one that I don't think a lot of folks are aware of. There is a Web portal out there now. The Nebraska

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Department of Insurance did submit information to it, a considerable amount of information to the federal Web site so that Nebraskans could compare insurance companies and that sort of information. But they also received information--this is an interesting situation because they received information from the carriers as well and chose to post the information from the carriers rather than from the insurance departments, and some of those carriers were not licensed and (laugh) it created some issues. So now we have a reoccurring...we're trying to create a relationship and a mechanism there where we can verify this information so that HHS has, you know, trustworthy information that they're providing out there. So there's definitely, in the new environment that they're operating in with the private marketplace, which they've never been engaged before, there's issues. They have a lot to learn. And I think they're finding that we are the experts and we can provide that information, and they might want us to verify it. Over the course of the summer, the department has given a great deal of time and attention to the issue of Medical Loss Ratio. This is an issue last week in the hearing that you heard insurance agents, if you followed that, insurance agents have been quite concerned about because, in essence, what it does is it removes the insurance agent from the distribution of health insurance, in essence, of purchasing your coverage via a Web-based mechanism rather than through...at least in the individual marketplace, in a small group marketplace, in lieu of purchasing it through an insurance agent. And while the NAIC had the decision on what components go into that ratio, in other words what goes out in the payment of claims and what is administrative expenses, the reality was the decision was already made that, you know, an agent commission is an administrative expense, like it or not. I mean it is what it is. We could call it something else but it's really...it really is an administrative expense. So they were not recognized as part of the payout amount. And so what we see there then is in terms of the issue of agent commissions, there are winners and losers in this, in this environment. And I do believe that, at least with respect to health insurance and those agents that sell the individual health insurance products and the small group insurance products that will be on the Exchange, the commissions are out, I mean, or they will be cut way back because the insurance companies will have no incentive to pay

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commissions. So that's why that's been a controversial issue. The National Association of Insurance Commissioners did issue a resolution that we recognize the value of insurance agents in education and that they have a role and we hope that that role is recognized. For plans that take effect coming up next week, six months after the passage already of PPACA, there are a series of new federal requirements that come into effect for the so-called "nongrandfathered" plans. This is most of the insurance market. I know that there's been some confusion, some questions on that, but a grandfathered plan is simply one that has not made enough changes to trigger the provisions that would require PPACA's application. And it's expected that, in our opinion, what we're seeing, that there will be very few plans, maybe less than 5 to 10 percent, that will truly be grandfathered and will not be subject to the PPACA requirements. And even with those 5 to 10 percent, we think that will decline over time. That might even be high. As regards to September changes coming up here on the 23rd, of particular note to insurance consumers are the limits on rescissions. There's a requirement for external review of claims and a prohibition on cost-sharing for preventative services, which I think you heard about yesterday; no lifetime limits; restrictions on annual limits; as well as no preexisting condition requirements for minors. There's a dependent coverage--much like what we have in Nebraska with some nuances, there are some just differences there--to age 26. These conditions are reflected in the policy language, once a policy is issued after September 23 for plans issued or renewed after that date. Perhaps the biggest challenge though that Nebraska faces is a question of Exchanges. Effective in 2014, as you've heard, PPACA creates these Exchanges as a place for buyers and sellers of health insurance products to come together. I call it the "Travelocity" sort of Web-based tool for buying and selling coverage. This is for the private insurance market, individual products, small group, not the large group, so those with large employer bases will not be utilizing the Exchange to the extent that they continue to purchase coverage. States can opt out of the Exchange themselves, enter into arrangements with nonprofit third parties, they can create a state entity, create regional Exchanges, or leave the entire project to the federal government, as I mentioned before. There has been a lot of testimony I had heard yesterday that the

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Exchanges are required to be self-supporting. That is a big issue for everyone and that is one that I think this Exchange grant will provide the research on, because we're going to have that as a key component of a recommendation on how we would accomplish that if it's possible. Once operational, people interested in purchasing the individual and small group health insurance plans will be able to access the Exchange on-line, select from a number of products offered that meet the federal standards, and complete the purchase. They will also be the place for persons to obtain Medicaid coverage and also have their income verified so that they can perhaps obtain either what's called the premium tax credit or a federal subsidy. So I think of it as a Web-based system that really triggers...it's triggered from income verification. You're probably going to go in, have your income verified either through the...some IRS door flips you back and then you either go to the private market if your income is high or the subsidized market if you're within, I think, 400 percent of the federal poverty level--if I recall, there's thresholds in there--or to the Medicaid Program. So it's going to be a one-stop shop for all of that. There will also be a consumer assistance, a hot line is the focus of this. So that does make you think in terms of, okay, well, then where is the insurance agent and the education we're receiving there? That will be an issue as well. It seems initially fairly straightforward to explain, but when you look at it, there is a lot of research that needs to go into this. And I think with the grant and the work that will be done over the course of at least the next nine months, it's going to allow us to pull together some ideas and work with the Governor's Office, the Chief Information Officer's Office, the Medicaid Program, the IRS, so many stakeholders. There are so many moving parts to this that it needs to be deliberative and thoughtful. And then perhaps by, I'm hopeful, by next summer there will be time available to pull together a recommendation or recommendations for Governor Heineman on a proposed course of action on the Exchange. So there are issues regarding governance, status of the policies, whether they're issued in the Exchange or outside of the Exchange, how it impacts market outside of the Exchange, because although the Exchange exists, there still may be a private market for those that don't want to purchase or can't purchase coverage on the Exchange. Is that private market viable? There are so many questions relative to that.

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The costs associated with the technology involved, you know, when you think about creating something new like this, it needs to be examined, needs...you know, examine what else is out there. So it gives rise to many issues there. I focused today on what we've been working on just this summer in the last few months since enactment, and there are other...there are other issues out there, changes required to Medicare, Medicare supplement plans. There's a new long...I call it a long-term care program but I have to be careful because it's really a subsidy for home-based community services with a five-year vesting that I think it starts next year, that once we hit January 1 our paychecks are going to go down unless we opt out to a new long-term, quasi long-term care product that allows for a minimum of \$50 daily benefit for in-home services in lieu of...and it's not...it's not healthcare services but just those services to keep you in your home. So it's a little bit like a long-term care supplement type of product. So I think at this point, rather than take you into so many other areas, I think it's probably the better approach is just to try to answer the questions you have in the multitude of areas to the extent I can and just spend time on that. And if I can't come up with answers, we'll work on it and hope the feds can. [LR467]

SENATOR CAMPBELL: Thank you, Director Frohman, and I agree because we have a lot of questions here. And for the audience, this special committee is made up of members of the Health and Human Services Committee, the Banking and Insurance Committee, and Appropriations, so it has been interesting to listen to the different...before we start, we have two senators that have joined us and we're letting senators introduce themselves. [LR467]

SENATOR MELLO: Okay. Senator Heath Mello, District 5, south Omaha and Bellevue. [LR467]

SENATOR COOK: I'm Senator Tanya Cook from north Omaha and northern Douglas County in Omaha. [LR467]

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SENATOR CAMPBELL: Thank you. Senator Nordquist, start us off. [LR467]

SENATOR NORDQUIST: Great. Well, first, I'd like to thank you for being here and your openness. We've had a couple discussions and you've been very straightforward with the department's...what they're working on and some of your thoughts on that. And also I'd like to thank you for your years of service to the state. Certainly you embody everything we look for in a public servant, so thank you. A couple questions: First, just to clear up, there's some different articles I've seen different comments on the department's ability to enforce regulations and provisions in the Affordable Care Act. There was a New York Times article in August that said Nebraska is among the states that said they did not have the authority to enforce...then I don't know if it was a quote from you but it said it did not have specific authority to order compliance with the federal law in the face of a refusal to comply. And then I wasn't able to attend the hearing last week, but at the Banking and Insurance Committee that you indicated that you would have the ability to enforce. Is that something we need to clarify statutorily or... [LR467]

ANN FROHMAN: Yeah, The New York Times, I believe, quoted from a letter and they quoted one paragraph and not the next. [LR467]

SENATOR NORDQUIST: Oh, okay. [LR467]

ANN FROHMAN: But what's going on there is the question is what can we do now versus what legislation do we need. And in terms...and what we were referring to was what's happening in September, in essence, because there's new plan requirements and we haven't went into our state law to mimic the federal law on recisions and lifetime limits. What we were saying is we don't have those statutory...none of the states...well, maybe some states mirrored it. I don't know, you know, if they had the foresight to get it right. But what we said is basically, look, we don't have the statutory mirrored language--that's what we were saying--but through the marketplace we do regulate the insurance contracts, and this is the paragraph that wasn't picked up in The New York

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Times article, and we have full authority to enforce the contracts. So to the extent that these recision issues and the removal of lifetime limits are required, those contracts come in to us, we review them to make sure they're following federal law. We have full authority to enforce those contracts under the Unfair Trade Practice Act. So it's more, yes, we have the authority. It was just not specific to the exact requirement that they're...you know, each requirement, but we have overall statutory authority under the Unfair Trade Practice Act to enforce the contract provisions. So it was...it was a...you know, not an accurate statement. [LR467]

SENATOR NORDQUIST: Well, reporters don't...well, they usually get things right but, you know, sometimes... [LR467]

ANN FROHMAN: I feel for them. Anyone that's trying to cover healthcare,.. [LR467]

SENATOR NORDQUIST: ...for any in the room here. (Laugh) [LR467]

SENATOR CAMPBELL: Do we have any reporters here today? (Laugh) [LR467]

SENATOR NORDQUIST: Then so do you think...would you recommend then that we look to introduce language to mirror the provisions in the federal law? Is that just to clarify? [LR467]

ANN FROHMAN: Oh, I think in time. [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: I don't think you want to piecemeal it out, because we're waiting for regulations. [LR467]

SENATOR NORDQUIST: Sure. [LR467]

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ANN FROHMAN: I think an ideal time is the next session and this is why I think that they may have some interim federal...okay, preliminary interim--this is I'm starting to get used to federal terminology--preliminary interim federal rules like on essential health benefits. That's going to be a big deal. Those may come out in the fall but they won't be final until they've been through a public hearing process,... [LR467]

SENATOR NORDQUIST: Sure. [LR467]

ANN FROHMAN: ...probably February, March. I wouldn't advise that we go in and make those changes... [LR467]

SENATOR NORDQUIST: Sure. [LR467]

ANN FROHMAN: ...just yet because it's just simply not necessary. [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: All the carriers know what's out there. We have, you know, great tools on the Web to keep consumers informed. [LR467]

SENATOR NORDQUIST: Yeah. [LR467]

ANN FROHMAN: So I think if we were back 30 years ago where we didn't have...we weren't in an information age where everybody didn't know, maybe, but not this year, no. I think we can...we can hold off and do it right. [LR467]

SENATOR NORDQUIST: Sure. Okay. [LR467]

ANN FROHMAN: But eventually we would want to get there. [LR467]

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SENATOR NORDQUIST: And it would be helpful that if an issue were to arise anytime that the department would be sure to keep us in the loop on it. [LR467]

ANN FROHMAN: Yeah. You know, just perhaps...and we've talked about perhaps just some sort of recognition of PPACA. You know, we're...you know, a real general recognition might be appropriate this session. We're not sure if it's even required. [LR467]

SENATOR NORDQUIST: Okay. Okay. I want to talk just briefly about stakeholder input. I've had some correspondence with the Governor in a couple letters and in those letters he didn't indicate any plan at that time to a formal...establish a formal stakeholder process. But you did e-mail me the Exchange planning grant. Thank you for getting that to me and I read through that last night, the grant we submitted, and it seems like you've laid out that a pretty big portion of that is going to be focused on seeking stakeholder input. Can you kind of maybe describe a little bit to the committee on what you envision, the department's envisioning through that process? [LR467]

ANN FROHMAN: Again, I would defer to the expert that will be doing the research, but we recognize that as part of the grant application that stakeholder input is a component of that. Whether that, you know, shapes up into...I would venture public hearings might be appropriate, but I don't have any definitive recommendation. I think that needs to come out of the work that's done under the grant resources. But, you know, one of them would be perhaps public hearings in different locations. [LR467]

SENATOR NORDQUIST: Okay. And that would include seeking out consumer input as well. I mean by stakeholders that would include consumers certainly. [LR467]

ANN FROHMAN: Public hearing, yes. [LR467]

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SENATOR NORDQUIST: Yeah. Okay. Great. I guess the one concern I have about the Exchanges in general is we hear them a lot described as the "Expedia" or "Travelocity" version on-line, but there will be populations in our state, whether they don't have the technical infrastructure, the technical ability, or just the feel uncomfortable going on-line and making that kind of transaction, and hearing from those populations and understanding their concerns and how we can best address them I think is going to be pretty important. [LR467]

ANN FROHMAN: Uh-huh. I think that's where the Navigators come in... [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: ...because they recognize in any program that you're always going to have a certain segment of the population that's underrepresented and just not able... [LR467]

SENATOR NORDQUIST: Yeah. [LR467]

ANN FROHMAN: ...to perform in the fashion that maybe a majority of the population can, so... [LR467]

SENATOR NORDQUIST: Last question: On the concerns on healthcare.gov, about the information that's on there, is that...is that a national issue and is NAIC working on that as well, or is that something you've noticed just in our state? Have you heard it from other states as well about the...? [LR467]

ANN FROHMAN: On what issue? [LR467]

SENATOR NORDQUIST: ...the Web portal, the information not being accurate on... [LR467]

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ANN FROHMAN: That's a national issue. [LR467]

SENATOR NORDQUIST: Oh, it is. Okay. [LR467]

ANN FROHMAN: It's...yes. [LR467]

SENATOR NORDQUIST: Okay. And is NAIC working with HHS...? [LR467]

ANN FROHMAN: It's actually each state because it's each state's information. [LR467]

SENATOR NORDQUIST: Okay. Okay. [LR467]

ANN FROHMAN: You may have different carriers licensed in different states, so it's not really an NAIC issue, per se. [LR467]

SENATOR NORDQUIST: Okay. Okay. Thank you. [LR467]

SENATOR CAMPBELL: We'll do Senator Hadley and then Senator Mello. [LR467]

SENATOR HADLEY: Director Frohman, thank you for being here and, again, I want to thank you for your service to the state of Nebraska. You will certainly be missed. I'd like to follow up with a question that Senator Pahls raised yesterday. Could you just spend a minute and talk about how your department is funded now? [LR467]

ANN FROHMAN: Yes. The Department of Insurance has approximately an \$11 million budget for our operational services that we provide. Of that budget, the revenues that we bring in to fund the work that we do comes in through agent licensing fees and appointment fees, so it's a fee-generated revenue that supports our agency. The fees generally exceed our operational expenses. I don't know if it's \$2 million a year, \$3

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million a year. There's a little bit of a cushion. I use the term "sweep," that that is generally swept by the Legislature as a prerogative on occasion. We do watch the cash flow now because it is much tighter than it used to be. There have been some fairly large sweeps in the last few years. So that is...that is okay. That's running fine. The question we're watching now is Washington because, if Washington were to do anything with agent license fees, that could impact what we do in terms of the revenue that supports our department. So we haven't seen anything yet. There have been a couple of times where there have been some attempts to make some changes but we've been in there, I mean Nebraska has been in there saying, look, there's...I think there may be between five and ten states that operate in the funding mechanism the way we do. [LR467]

SENATOR HADLEY: Okay. Well, I certainly don't want to speak for Senator Pahls, but I know I think his concern was is that as a Legislature and a state we have used the sweeping of excess funds to help us balance budgets and such as that. And as time goes on with these new requirements that the department might have to undertake without additional funding, that that may be an impact on the entire state because we may not have that kitty to look at as time goes on. So I think as a Legislature we have to be aware of, you know, one of the things we're looking at here is what's it going to cost us to implement this whole program. And I think that's just one of the things that we have to make sure we keep on our radar screen, that you have been very generous to the state but it may be different in the future. [LR467]

ANN FROHMAN: Right. I think...and that's why we are careful in reviewing the grants. We want to apply for grants that make sense and that do not bind us in the future to some unintended financial consequence. But there's, you know, there are some limited resources there for a time. But I think the significant question with respect to financing is going to be the Exchange. [LR467]

SENATOR HADLEY: The Exchange. One last thing, and Senator Nordquist...just to

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follow up on what he said. Even for me it's hard to follow this whole law and act, and so I can imagine what it's like. We always use the grandmother in a small town someplace trying to figure out how this all works. So anything we can do to make it easier for them to access the system and understand the system I know will be greatly appreciated by all the citizens of Nebraska. [LR467]

ANN FROHMAN: And I think a key there is the insurance agents--and to keep that in mind. That's going to be a critical issue, I think, as they go forward with the analysis and research on the Exchange, because there's a lot of value there. [LR467]

SENATOR HADLEY: Thank you. [LR467]

SENATOR CAMPBELL: Senator Mello. [LR467]

SENATOR MELLO: Thank you, Senator Campbell. And I, as well, will thank you, Director Frohman, for your service. It's unfortunate, as we were talking before, that you're leaving, or after now that you've become somewhat of an expert in regard to what our state is going to have to look to do in regard to enacting the Affordable Care Act. For the committee--and particularly knowing that most of us are new members and only have been here for two years--could you provide us any kind of historical perspective, maybe over the last five years, of any legislation, proposals that your department has introduced that would have addressed any of the issues that are in the Affordable Care Act, such as the access to our no-preexisting-conditions component, the dependent coverage up to 26, the no-lifetime-limits issue. Could you provide us with any historical legislation or proposals that your department or the administration has proposed over the last five years. [LR467]

ANN FROHMAN: That is contained in this... [LR467]

SENATOR MELLO: Anything that would have been contained in the existing law or

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would have worked at all to provide more access to affordable healthcare or insurance.
[LR467]

ANN FROHMAN: I don't see anything in the federal legislation law that we would have recommended, looking back. There is nothing in that law that I see right now that we would have recommended within the last five years, knowing that it's been...we've done quite a bit with the CHIP program. We wanted the...you have too many CHIPS here. The Comprehensive Health Insurance program that serves the most needy Nebraskans--in terms of health situation, okay, not necessarily a financial condition--but they have a great need for a lot of healthcare services. We saw that program running into financial insolvency by 2016 if it continued down the path. And with the support of the Legislature, we were able to do some things to sustain the viability of that program--now that predates this, we didn't know if this was going to be here--so that it would continue to go forward. Now, there was pain shared on that, and--because it required some premium increases, in particular for children who were, you know, at, I don't know if they were at one-quarter of the market. So they weren't, you know, they were...it was heavily subsidized. [LR467]

SENATOR MELLO: Um-hum. [LR467]

ANN FROHMAN: So that is one where we tried as best we could to try to stabilize a program that would provide access, because if that program would have went away, we would have been at a guarantee-issue state. And that would have cost us, in terms of individual health insurance coverage, an escalation of maybe three to six times. So we were trying to do things there to make sure that we had a program available, that it remained available. But, you know, these things are untested. [LR467]

SENATOR MELLO: Um-hum. [LR467]

ANN FROHMAN: And so to draw a conclusion that it provides access and affordability--I

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will not go there. [LR467]

SENATOR MELLO: So you don't...so your personal opinion--you say you think some of the components that'll be enacted next week won't provide better access or affordability for people? [LR467]

ANN FROHMAN: Enacted next week? [LR467]

SENATOR MELLO: The no lifetime limits... [LR467]

ANN FROHMAN: Right. [LR467]

SENATOR MELLO: ...the no preexisting conditions, the--keeping dependents up to 26. [LR467]

ANN FROHMAN: I think those are laudable goals. I don't think we've figured out how to finance those. And so I think it's a challenge. [LR467]

SENATOR MELLO: Okay. Real quick, for that premium increase--that was a bill we dealt with in the Legislature. What were the percentage of increases for children? I mean, I know that there was a solvency issue, but... [LR467]

ANN FROHMAN: They are now at 150 percent. So we're looking--I think it increased almost threefold, realizing they were paying \$75 to \$100 a month. [LR467]

SENATOR MELLO: Yeah. [LR467]

ANN FROHMAN: And these were critically ill--you know, in many respects--children. [LR467]

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SENATOR MELLO: So their premium increases went up 300 percent, give or take?
[LR467]

ANN FROHMAN: Three times, yeah. [LR467]

SENATOR MELLO: Okay. One component that we talked yesterday extensively with Director Chaumont in the Medicaid program was the technology components. That seems to be integrated into not only the Medicaid portion but, obviously, the Exchanges as well. And you mentioned it in your testimony as well that the technology in regard to creating the Exchanges--but you'd mentioned that there'll be some integration with the Medicaid program. Has there been discussions at all in the last few months about the movement forward with ACCESSNebraska, which in theory is the new technology-driven, Internet-driven specifically, program for Medicaid and HHS that will determine people's Medicaid eligibility or coverage, CHIP eligibility coverage, other public benefits? Has ever a conversation been developing, at least, of how you can integrate both maybe ACCESSNebraska, the MMIS system, and possibly what would be needed for the Exchange, to cut down on any technology costs that every agency is saying that they're going to need? [LR467]

ANN FROHMAN: We all recognize that's an issue. In terms of moving into doing it, no, not without the research afforded under this grant. Again, that research needs done. But, yes, you've identified an issue; there is an issue there: How do they communicate, how do they integrate? [LR467]

SENATOR MELLO: Okay. Okay. I guess one final question I have, and it kind of dovetails off Senator Nordquist's question in regard to consumer involvement in regard to the Exchange planning component. What involvement do you see from the legislative branch in regard to this planning involvement for the Exchange? I know Ms. Wilson, Joy Wilson, from NCSL yesterday explained to us that other states are looking to propose legislation right away to involve their legislatures in the Exchange planning process,

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because they want to make sure they get ahead of the curve in regard to the 2014 enactment date. And it seems that so far, from what I've heard, is that the planning grant is mostly focused on the executive branch. What role do you see the legislative branch in this process? [LR467]

ANN FROHMAN: I listened to that testimony as well, and I do recognize the Legislature has a role in terms of, in essence, you know, authorizing the program. I view it as the Governor's decision on reviewing the recommendations that come out of the planning grant and to consider whether we engage in the Exchange. And if so, then the Governor obviously will need your assistance on the details of that. The conversation or the testimony yesterday with respect to moving forward this year that I heard...we have to recognize that...and she was referring to the NAIC. Well, we've been on the calls; they started yesterday. So she testified before that discussion even began on what we would call bare-bones legislation to authorize the establishment of an Exchange, okay, that the NAIC is considering as a national model, indicating--I believe she indicated it will be ready this year. The NAIC is a deliberative, thoughtful organization that usually takes, you know, a year--we're criticized for taking a year--to analyze, you know, really scrutinize issues. The conversation began yesterday. Recognizing that there are many states that do not have a session in 2012, there is pressure for those states to move forward with some bare-bones legislation that, in essence, I think at the end of the day will simply defer to the insurance departments in the executive branch to do whatever, because they don't have the time to do much. I mean, the NAIC--based upon the call we had yesterday, there isn't much time to put anything together other than a, you know, we-trust-you-insurance-departments authorization legislation. And I recognize that some states need that, because they will not meet in 2012. That would not be my recommendation for Nebraska. I think we have the wherewithal and fortunate opportunity to meet every year. And what I think may occur is sometime next year that there will be, you know, federal regulations that will impact all of this (inaudible), a template. And why apply for a grant? I mean, we need--I think we really need to utilize our time well... [LR467]

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SENATOR MELLO: Um-hum. [LR467]

ANN FROHMAN: ...and utilize the resources well and really come to the right result and not rush this, but recognizing some states need to. [LR467]

SENATOR MELLO: Do you see an opportunity at all maybe for, whether it's this committee or the legislative branch in general, to participate in the planning grant Exchange or the Exchange planning grant process to keep us, so to speak, in the loop or to make the process more transparent with the other branch of government that ultimately has to... [LR467]

ANN FROHMAN: Yes. [LR467]

SENATOR MELLO: ...approve any financing or law? [LR467]

ANN FROHMAN: Clearly, there's a role. There's, you know, stakeholder input, knowing that the Exchange goes forward at the will of the Legislature. So, yes. How that unfolds I don't have an answer for you today. [LR467]

SENATOR MELLO: Okay. All right. Thank you. [LR467]

SENATOR CAMPBELL: Other questions? Director Frohman, I just have a couple that I want to follow up on. Do you see, as time goes by, that there will be more populations--and I realize we've got this six-month stipulation--but moving away from the state insurance into other portions of the Exchange, if we can figure out a way? If, for instance, Congress said: Well, we're going to change that--would we move populations of people? [LR467]

ANN FROHMAN: Populations of people away from... [LR467]

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SENATOR CAMPBELL: Groups of people. [LR467]

ANN FROHMAN: ...from...I'm not following your question. [LR467]

SENATOR CAMPBELL: Our state CHIP program. [LR467]

ANN FROHMAN: Our state CHIP program. What I...I envision that the state CHIP program, to the extent that we're talking that's individual health insurance coverage and in 2014 preexisting conditions are no longer, you know, considered, they will be able to move onto the Exchange, or they will move, if eligible, into maybe the expanded Medicaid program. So I don't know with certainty, but it's--at this juncture, based upon what I sense, is I think that program will become obsolete. []

SENATOR CAMPBELL: And what savings would that be to the state? How much do we spend annually? [LR467]

ANN FROHMAN: Well, savings is an interesting term, because what we spend annually right now I think is--it's been escalating. I mean, I think ten years ago it was \$10 million. It's up to \$25 million per year that is--that the state spends to fund...we don't fund the premium. This is really an important question. We fund...the premium is, in essence, what the participants pay, the 5,000 pay, into this program. But that is so insubstantial in comparison to the claims, because this is a high-claim program; these are very ill individuals that have a lot of needs. What the state does is they just pick up the difference of the deficiency and the premium and the claims on an annual basis. So we've got to be careful on savings, and this is why. These individuals aren't leaving Nebraska, okay, they're remaining in the state. They're moving either to the Exchange or to Medicaid. So who is going to pay for those claims? Well, we know what happens with Medicaid. Let's talk a little bit about if they go to the Exchange. Let's say they all go to the Exchange, and they're all now buying individual coverage. That \$25 million in

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claims that's no longer being absorbed by the state taxpayer is now going to be a function of the premium. So it will be rolled into the premium that will be paid in the Exchange. I do anticipate that the individual health insurance market in the state will be challenged with the costs associated with purchasing individual health insurance coverage. That's just one of the issues. That \$25 million will be translated into premiums paid by these individuals. Will they be able to afford it? I don't know. It's going to be a challenge. [LR467]

SENATOR CAMPBELL: Thank you, because, really, no one has really addressed that. I'm going to finish up with just one more. Yesterday one of the speakers, when asked and pressed, said maybe Nebraska ought to look at an Exchange with another state or another group, if you remember that yesterday--the Exchange there. And I have to be honest, part of my concern would be if we went with a group, how would we insure our own Medicaid stipulations or whatever we might put together as our program? Has there been any discussion as to how groups of states going together on Exchanges would protect those Medicaid...because they'd all have to be alike, would they not? [LR467]

ANN FROHMAN: There's two issues there, and this is where it gets complicated, and an analysis is going to have to take some time. But we're talking about we have a private marketplace and we have the Medicaid, okay. In the private marketplace, the discussion on grouping really is a different issue. On the Medicaid, that is one that I really couldn't speak to; I don't have the expertise there. But I don't know that you would necessarily have to do that, because you remember your Exchange--you could share infrastructure and keep Nebraska Nebraska. [LR467]

SENATOR CAMPBELL: Okay. [LR467]

ANN FROHMAN: So there's ways you could do that on that piece, and then you could group it. But there are so many issues relative to that. Just on the private insurance side

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is amazingly complex, because you're going to have licensing issues; you're going to have--you know, we're looking at carriers operating in different states and just numerous...the list on this research that's going to need--of issues that's going to need to be done is just going to be amazing, I think. But there's one question. [LR467]

SENATOR CAMPBELL: And, just as a point, I agree with you on the Medicaid side also. I mean, it's going to be as complicated if those Exchanges, as the bill says, are expected to enroll people in Medicaid programs or vice versa. So there could be a lot of...I mean, it would seem to me maybe months of trying to just--how do you get those programs all to jibe and meet the states? But that's on down the road. Senator Mello, you had a follow-up question. [LR467]

SENATOR MELLO: On the follow-up question that Senator Campbell asked regarding the Comprehensive Health Insurance program, what is the average premiums right now that--percentage increase that we're seeing, maybe over the last couple of years, from insurance carriers in Nebraska? [LR467]

ANN FROHMAN: Are we talking individual, small group (inaudible)? [LR467]

SENATOR MELLO: Individual, yeah. [LR467]

ANN FROHMAN: Individual. (Inaudible) my actuary here, I think. John, what are we seeing on individual? [LR467]

JOHN _____: Generally, right now we're seeing, on individual, anywhere from 18 percent to 20 percent. [LR467]

SENATOR MELLO: Okay. Is that--that 18 percent to 20 percent increase in premiums--is that over the cost--is that...how is that in relation, I guess, to the rate of inflation? [LR467]

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JOHN _____: Well, I think you have to look at it from the standpoint of...when we're looking at a rate increase, we're looking at medical inflation. And the medical trend right now on individual products is running roughly around 12 percent to 14 percent. [LR467]

SENATOR MELLO: So, on average, it would be safe to say that it'd be 6 percent to, maybe, between--a range of 6 percent to 8 percent over the rate of inflation. [LR467]

JOHN _____: Yeah, and that's going to vary based on the company. [LR467]

SENATOR MELLO: Okay. [LR467]

JOHN _____: Some are going to be taking less than that; some are going to be higher than that. [LR467]

ANN FROHMAN: And you got to remember, that 6 percent is a function of the experience of the plan. [LR467]

JOHN _____: Correct. [LR467]

ANN FROHMAN: It's not a function of medical inflation. So you've got two things you're looking at. [LR467]

SENATOR MELLO: Okay. Has there been any, I mean, has there been any review at all with the existing law, with the ACA, in regard to the Exchanges as well as now the Comprehensive Health Insurance program--if we're moving people away from that onto the Exchange or Medicaid--in regard to limiting the percentage that insurance carriers can raise a yearly premium? I mean, if what you just explained to me, that they're 6 percent to 8 percent above inflation, and we know that we're going to be moving a

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population to private insurance that currently is on a CHIP program, has there been any conversations? I think I read that other states are currently evaluating this circumstance as well, of limiting the actual percentage of increase that they can do. [LR467]

ANN FROHMAN: The way the new law envisions review of that is there are many states that did not do health insurance rate review. And for those states there's been pressure out of Washington that they do something. For instance, Illinois is just in--is in the process of enacting a law to give them the authority to review the rates. In Nebraska it is a function of what we call justification of the rates. So the actuary looks to see if the rates are justified based upon the components of the experience of the plan, of, you know, how much usage is going on as well as medical inflation. So they've got to project in the future that the rates are going to meet the needs for the next year. As a solvency regulator, there is a rub between the state insurance regulators and, I believe, in Washington, because they now have--we have a responsibility to determine rate review. Must be justified. There is a new component that says: And if they're justified, they have to be reasonable. Okay, what's "reasonable"? "Reasonable" is a subjective analysis, not an objective analysis, that is above and beyond the analytical actuarial analysis of what's justified. In other words, it just may be too much; in other words, just can't be tolerated by the public. I'm a solvency regulator; that's job 1. Pricing is important. If folks can't buy it, that is a problem. But, in my mind, a bigger problem is if they pay the premium and there isn't a promise there at the end; it's empty, because the company doesn't have the reserves to pay the claims. That's a bigger problem, because they failed on a promise. So there is a tension there that exists, that insurance companies somehow are making too big of profits on health insurance. And the philosophy is let's bring that down, let's bring that down. I'm telling you, in Nebraska it is a function of the experience and the medical inflation. It is not a function of the insurance companies out there in Nebraska, as far as I see, making too much profit. That may be the case in other states; it's not the case in Nebraska. And so to simply say we're going to put a subjective limit on...you know, we're just going to say you can't have a rate larger than this. Well, if your experience is larger, they're going to do one of two things: they're

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going to go into bankruptcy, or they're going to close down. And then what have you done? Well, you've just gotten rid of another carrier. So I'm very sensitive to the solvency issue in health insurance. It is--it's more of a social service than it is a private business operation. [LR467]

SENATOR MELLO: Um-hum. [LR467]

ANN FROHMAN: Some companies have made it, but they did it on volume to get there, in the private sector. They didn't do it, you know, any other way. So it's a tough one. [LR467]

SENATOR MELLO: It's... [LR467]

ANN FROHMAN: Rates are a tough question. [LR467]

SENATOR MELLO: And I understand that, and I appreciate your perspective on it, because that was what I was hoping to see--get more of a Nebraska perspective instead of just the national perspective on how this falls within the ACA. A follow question would be, then--just curious minds would probably ask: If we're basing this on solvency, the health Exchanges should be creating more competition amongst carriers. So how would it be that carriers would become insolvent if there is more competition for a new pool, large pool, of people who are currently uninsured or don't have insurance, that they wouldn't be able--they would have to--they wouldn't be able to keep their premiums as low as possible, knowing that they have such a new large pool of people? [LR467]

ANN FROHMAN: I have never, in all the scrutiny I have done--and I have scrutinized this carefully--I've never seen where there will be more competition. On the discussions I have with fellow insurance commissioners, we're pretty much in agreement; we do not see the Exchange creating competition. In fact, I envision the small carriers that have

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less than 5 percent of the individual health insurance market getting out of the business, and we will have fewer licensed carriers in 2014 in Nebraska than we have now.

[LR467]

SENATOR CAMPBELL: Senator Nordquist... [LR467]

SENATOR MELLO: Thank you. [LR467]

SENATOR CAMPBELL: ...you had a question? [LR467]

SENATOR NORDQUIST: Yeah. Senator Campbell's comment, or question, popped this into my head. As we talk about people transitioning from the Comprehensive Health Insurance Pool to the Exchange because of the removal of the ability to deny based on preexisting conditions on September 23--plans from that date forward and when plans are renewed, children will no longer be able--be denied--can be denied for preexisting conditions. Can we track over the next year--can the department track the number of children that do leave the CHIP plan and then the dollars, state dollars, associated with that? [LR467]

ANN FROHMAN: Perhaps this is something that can be monitored through resources with the Exchange planning grant. [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: I would hope that we could do something like that. [LR467]

SENATOR NORDQUIST: Do we have any idea on the numbers of children right now that are in our--the Comprehensive Health Insurance program? [LR467]

ANN FROHMAN: I want to say 450. [LR467]

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SENATOR NORDQUIST: 450. [LR467]

ANN FROHMAN: Sound right? [LR467]

_____ : That sounds right. Yes. [LR467]

SENATOR NORDQUIST: Okay. And then on the cost, we have--it's paid for by premium taxes, and is there General--I should know--General Fund dollars as well that pick up the difference in the CHIP...? [LR467]

ANN FROHMAN: For the CHIP fund? [LR467]

SENATOR NORDQUIST: Yeah. [LR467]

ANN FROHMAN: That is actually...premium taxes go into the General Fund. [LR467]

SENATOR NORDQUIST: Oh, okay. And then it's just... [LR467]

ANN FROHMAN: And so they're General... [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: I view it as state General Funds... [LR467]

SENATOR NORDQUIST: Okay. [LR467]

ANN FROHMAN: ...that go back to the CHIP program. [LR467]

SENATOR NORDQUIST: And do you know last year in the budget what that was? I

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know... [LR467]

ANN FROHMAN: I want to say it's \$24 million, \$26 million, somewhere in there. [LR467]

SENATOR NORDQUIST: Okay. That's--that's in--roughly where I thought we were.
[LR467]

ANN FROHMAN: I think, I mean, we're pretty close in our numbers. [LR467]

SENATOR NORDQUIST: Okay. I can look that up, too. Thank you. [LR467]

SENATOR CAMPBELL: I think there were some figures discussed on the floor. [LR467]

ANN FROHMAN: It is on the Web. [LR467]

SENATOR NORDQUIST: Yeah, I've heard roughly twenty-five. But... [LR467]

SENATOR CAMPBELL: I see heads nodding in the room. Any other questions from the senators today? Director Frohman... [LR467]

SENATOR COOK: I have a question. [LR467]

SENATOR CAMPBELL: Oh, I'm sorry. Senator Cook. [LR467]

SENATOR COOK: Thank you very much. And thank you, Director Frohman, for coming this morning. It's absolutely an educational process. I guess the concern that emerged once you described the issues with the federal Web portal and information included...I guess my question is: Right now let's say Grandma gets an insurance agent that is not necessarily the most ethical practitioner. What does the agency have in place now in terms of a complaint process related to her or his licensure? Or would that be

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something that would be handled through the agent's professional association? Just educate me a little bit on insurance agent... [LR467]

ANN FROHMAN: Yeah. We have a Consumer Affairs Division that, when an individual has a problem with an insurance company or an insurance agent, can file a complaint with the Insurance Department. The Insurance Department Consumer Affairs investigators research that complaint, contact the agent or the company. They are required under law to provide a reply to us, and then we look at that reply to determine, number one, if they have violated any of the state laws. And we have all sorts of rules and regulations that we look at, because--you know, whether it's a health claim or an auto claim or a homeowner's claim--to make sure that the way that...you know, the complaints can come in--you know, it was misrepresented coverage or, you know, the agent didn't remit my premium to the insurance company, all sorts of issues. We also have a fraud unit. If it looks like it's criminal, the fraud unit will take it. If it looks like it's administrative, we will take it. In other words, if we see a violation of the law, it might simply be a civil matter as well. It's kind of hard to tell in some of them. But we can figure those out pretty well. And then if we find that there is a violation, we do have staff attorneys that take that and will file a disciplinary legal action on the license of the agent. And the relief there is either revocation of the agent's license, a suspension of the agent's license, or a monetary penalty also, perhaps making the individual whole. We have, you know, I think we...4 million or 5 million a year--we assist consumers with getting relief on what they deem and what we deem they're entitled to. So it's not just the insurance agent but the coverage issues that we deal with. But, yes, we're very much engaged in that. And nationally we have a database where, then, that information goes in--to the national database. And insurance agents, then, if they go get licensed, let's say in Florida, that information is readily available. The order on the action is readily reviewed before that license is issued or not issued. [LR467]

SENATOR COOK: Thank you very much. [LR467]

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SENATOR CAMPBELL: Any other questions? Thank you, Director Frohman, very much. [LR467]

ANN FROHMAN: Thank you. [LR467]

SENATOR CAMPBELL: I think we're all having information overload, including all of the departments. I can't imagine trying to move from one detail...with the short time lines that some of you are dealing... [LR467]

ANN FROHMAN: You know, yesterday was interesting. I had the hearing on, trying to listen to that. And I was on conference calls, and they were back to back. And the dynamics were interesting. Yes, it's information overload; I will agree with you. Thank you. [LR467]

SENATOR CAMPBELL: I appreciate that. One more reminder to the audience that this committee will meet again on October the 7th--and 8th as necessary, but 7th particularly--and taking public comments. So if your association or group or as an individual would like to make comments, please see Michelle Chaffee, who is legal counsel to the Health and Human Services Committee, because we will begin trying to budget what the time is. I also want to recognize that there were--I know Mr. Becker is in the audience from a congressional office. Are there any other congressional representatives' staffers here? I much appreciate them monitoring. We've talked about having the legislative and executive branch and private sector, but we also will have to have that communication with our congressional delegations. So thank you, one and all. Have a great weekend. Go Huskers. [LR467]