

# **ANNUAL REPORT**

## **Joint Health Care Reform Oversight Committee**

**HB 601, Chapter 264, Laws of 2011  
RSA 420-N**

**December 1, 2011**

### **MEMBERS**

Rep. John Hunt, Chairman  
Rep. Andrew Manuse, Clerk  
Rep. Kathleen Taylor

Sen. Raymond White  
Sen. David Boutin  
Sen. Matthew Houde

### **BACKGROUND AND CHARGE**

A Health Insurance Reform Oversight Committee was established in 2010 with the adoption of SB 455 (Chapter 243, Laws of 2010; RSA 420-L). Pursuant to this chapter, the Insurance Commissioner was required to make periodic reports to the Oversight Committee relative to the department's federal insurance reform implementation plans and initiatives as may be required by the oversight committee. This committee met in September and in October of 2010, but did not issue a report. RSA 420-L, was repealed effective July 1, 2011 through a sunset clause included in Chapter 243, Laws of 2010.

The Joint Health Care Reform Oversight Committee ("the Committee") was established in 2011 with the adoption of HB 601 (Chapter 264, Laws of 2011; RSA 420-N). This law became effective on July 1, 2011. Pursuant to RSA 420-N:3, III, the Committee is responsible for providing legislative oversight, policy direction, and recommendations for legislation with respect to the Patient Protection and Affordable Care Act of 2009, as it determines appropriate. The Committee is also required to review existing rules, bulletins, or policies adopted pursuant to Chapter 243, Laws of 2010 and may require the repeal of such rules, bulletins, or policies.

The Committee has met with representatives from the state Departments of Insurance and Health and Human Services to receive reports on ongoing developments on both the state and federal levels with regard to the Patient Protection and Affordable Care Act of 2009 (ACA). This report summarizes the discussions and actions taken by the Committee this year.

## SUMMARY OF MEETINGS

### *September 7, 2011 Organizational Meeting*

#### *Discussion*

Commissioner Sevigny and staff from the Insurance Department presented an overview of the department's health insurance regulatory function and an overview of the health insurance provisions of the Affordable Care Act (ACA).

Commissioner Toumpas and staff from the Department of Health and Human Services (DHHS) presented a summary of the intersections between the ACA, DHHS and the Insurance Department.

#### *Action taken*

- Elected Rep. Hunt as chairman
- Issued a 'Declaration of External Review', vote 6-0

The 'Declaration of External Review' identifies three areas of conflict between the state insurance code and the ACA that related to external review and declares the remedies for each of the conflicts.

### *September 14, 2011 Meeting*

#### *Discussion*

Lisabritt Solsky, DHHS, explained the need for the department to adopt rules relative to freestanding birthing centers and nonpayment for provider preventable conditions.

Members also discussed the use of the remaining exchange grant funds and the possibility of using them for IT gap analysis and related exchange requirements under the ACA.

#### *Action taken*

- Voted to permit DHHS to proceed with rulemaking relative to freestanding birthing centers and nonpayment for provider preventable conditions, 4-0.

### ***October 6, 2011 Meeting***

#### *Discussion*

The Department of Insurance provided information on the following issues pertinent to the work of the Committee.

1. HB 619, requiring the state of New Hampshire to opt out of the requirement that individuals purchase health insurance contained in the Patient Protection and Affordable Care Act.
2. New Hampshire's status as a 209-B state for purposes of Medicaid eligibility determinations
3. The US DHHS approval of New Hampshire's external review process based on the 'Declaration of External Review' adopted by the Committee on September 7, 2011. The Department has drafted proposed legislation to make statutory changes that reflect the declaration.
4. INS 1908, the reinsurance subsidy for children under age 19.
5. An extension request made to the US DHHS for exchange planning grant funds and the uses for the funds.

### ***November 9, 2011 Meeting***

#### *Discussion*

Committee members discussed the advantages and disadvantages of accepting Health Benefit Exchange funds and the nature of the activity for which such funds should be used. There was debate as to the level of commitment to establishing a state exchange that would be implied by accepting the funds. Discussion also centered on how much true flexibility exists in the federal law for the establishment of a state health insurance exchange.

#### *Action taken*

- Elected Rep. Andrew Manuse as Clerk, adopted 5-1. Rep. Manuse cast the dissenting vote.
- Voted to permit the Insurance Department to proceed with acceptance of the rate review grant funds, adopted 6-0.
- Voted to use Health Benefit Exchange funds for IT gap analysis, adopted 4-2. Rep. Hunt and Rep. Manuse cast the dissenting votes.
- Voted to accept the Insurance Department rules submission for the Medical Loss Ratio Rebate Rules, adopted 6-0.

Respectfully submitted,

Rep. John B. Hunt, Chairman