

**Subject:** REDC Policy Update 9.20.19

Good Afternoon REDC Members,

Below is your weekly REDC policy update:

## **A. SERVE Act:**

House SERVE Act (HR2767) led by Moulton/Mast

We had a number of meetings this week on co-sponsorship of the SERVE Act including Reps. Frankel (D-FL), Abraham (R-LA), Dingell (D-MI), Bass (D-CA), Bilirakis (R-FL), and Foster (D-IL)

Overall reception of the bill was pretty good, and they all hoped to have more stories of examples of military eating disorders in the future

Additionally, we currently have 42 organizations supporting the House SERVE Act, and Andrew on our team is working to try and gain an additional 30 before we close the letter. See attached letter for the current list of supporters.

Senate SERVE Act

Senator Shaheen & McSally officially agreed to be the SERVE Act leads!

We are still working with them and the REDC Board on some final items related to the bill

The bill is expected to be introduced no later than October 18<sup>th</sup>—which puts us in a great position going into REDC Hill Day.

## **B. ACA—REGULATORY**

### **Health Insurance Innovations Inc. Under Fire for Short-Term Plans**

Health Insurance Innovations Inc. (HIIQ) was founded in Tampa, FL in 2008 and provides a clearinghouse for brokers who sell cheap insurance plans to individuals.

The company worked with insurers to devise a menu of plans, designed software for the brokers, and ran a call center to handle customer service.

After the ACA passed in 2010, HIIQ continued promoting short-term plans and other limited forms of insurance that didn't have to comply with the new rules for comprehensive plans. The pitch worked and the company now brings in \$350 million in revenue annually and projects that 2019 will be their most profitable year yet.

Complaints to the Federal Trade Commission detail numerous cases of HIIQ customers buying medical insurance they believed was comprehensive, than having their claims rejected or barely paid out.

The Massachusetts attorney general is investigating HIIQ for misleading tactics.

Last year, HIIQ settled a 43-state investigation into broker sales practices by agreeing to pay \$3 million and monitor salespeople more closely, without admitting wrongdoing.

Brokers are already gearing up for open enrollment season, and HIIQ paid roughly \$70 million to buy TogetherHealth, a company that runs TV ads targeted at over-65 shoppers and directs those who call in toward insurance brokers.

### **Updated Parity Report Anticipated Next Month**

The best parity data nationwide is collected within a 2017 Milliman Report—[Addiction and Mental Health vs Physical Health: Analyzing Disparities in Network Use and Provider Reimbursement Rates](#)

The report looked at out-of-network uses for behavioral health vs. med/surg care in the inpatient, outpatient and office visit settings.

There is a strong desire to update this report—and the parity community has received word that an updated study is expected to be released in October 2019, which will include a couple other analyses on reimbursement related to parity.

## **C. ACA—CONGRESSIONAL**

### **House Energy and Commerce Committee Requests Info on Opioid Funding**

Leaders on the House Energy and Commerce Committee are requesting information on how states are using federal funds earmarked for opioid crisis response efforts.

In letters to 16 governors of states hit hardest by the addiction epidemic, the lawmakers asked for details on how much states have received for treatment, prevention, and recovery services since 2016 and whether they've experienced challenges deploying funds in their communities.

Additionally, they're seeking information on how states prioritize which entities received federal funding and ask what additional resources are needed to fully tackle the epidemic.

### **PoliticoPro Host Webinar, "What's Next on the Health Care Agenda?" *(full memo attached)***

Key takeaways from the webinar include:

Health care will dominant conversations in the upcoming election season.

Congress should be/is going to focus on: Lowering prescription drug cost; ensuring the ACA's protections for people with pre-existing conditions continue; lowering the amount people pay for health care; protect people from surprise medical bills

Vaping regulation

Budget negotiations to fund FY2020

Executive order on influenza vaccinations

## **STATE ACTIONS**

### **Maryland: 2020 Premiums Expected to Fall an Average of 10.3%**

The announcement marks the second straight year of rate decreases for the state, after the Trump Administration approved Maryland's reinsurance program.

The decreases for individual market plans range from 1.4% to 14.7%, depending on the plan.

By contrast, average rates will increase by 3% for small group market plans.

### **Tennessee: States Unveils First-in-the-Nation Proposal to Block Grant Medicaid**

The state has released a proposal to cap federal funding for its Medicaid program and phase out open-ended entitlement in exchange for new flexibility.

The overhaul still requires approval from the Trump Administration and would apply to people traditionally covered by the program, including children, pregnant women, poor seniors and the disabled.

More than 1.3 million people are enrolled in TN's Medicaid program, known as TennCare. The state is one of the 14 that has not joined in the ACA's Medicaid expansion.

The state is accepting public comment through October 18. Some think tanks in D.C. consider this plan to not go through as it goes against the ACA's Section 1115 waiver process that any state submitting an alternative plan would have to provide at least equal coverage to their current plan, which the proposal would not.

Best,

Katrina, Allison and the Center Road Solutions Team