

# NM Health Care Premium Rate Review Grant & Project

## Legislative Health and Human Services Committee Briefing Document

### New Mexico Public Regulation Commission Insurance Division

October 6, 2010

#### Grant Details

<i>Date</i>	Funding from the Date of Grant Release – FFY 2011/ May Apply for Extension
<i>Cycle One Funds</i>	Ensuring That Consumers Get Value for Their Dollars
<i>Cycle Two Funds</i>	Application Release in October 2010 – Due December 2010
<i>Purpose – Use of Funds</i>	Enhance Review Process & Provide Disclosure and allow for Public Feedback for Small and Individual Markets.

#### Proposal and Planning

<i>Based on Oregon Model</i>	<p>Consumer and Business Services Bureau</p> <ul style="list-style-type: none"> <li>• Four Staff Positions</li> <li>• Establish a Stakeholder Advisory Committee</li> <li>• Actuarial &amp; Web site Development Contacts</li> <li>• SERFF Enhancements</li> </ul>
<i>Importance</i>	Comprehensive Rate Review that Allows Accessible, Consumer-Friendly Disclosure and Opportunity to Provide Public Feedback for Consideration Prior to a Decision.

#### Public Interaction and Process

- Post rate review requests and financial summaries
- Allow a 30-day public comment period
- 40-day timeline for Insurance Division decision
- On-line request for hearing based on DOI decision

#### Current New Mexico Law

- Prior Approval
- Disapprove Request if Benefits Offered Unreasonable Restricted in Relation to the Premium Charged

#### Proposed Law Changes

- Make Rate Filings Public
- Require Insurance Division to Post Rate Filings Authority to Release Information & Require Insurers to Provide

#### Contracts & Staffing

##### New Positions

- Hearing Officer
- Financial Analyst
- Consumer Analyst
- IT Analyst

##### Contacts

- Consulting Services and Procedure Development
- Actuarial Services
- SERFF Enhancements
- Web Design



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## Cycle I Timeline

## Action Item

<b>August 2010</b>	Draft Contract for Consulting Services & SERFF Updates
<b>September 2010</b>	Create and Posting Job Requirements for Four Temporary Positions
<b>October 2010</b>	Meet with the Consumer Advisory Board on Future Goals Draft Proposed NM Legislation & Rule Changes for 2011 Session
<b>November 2010</b>	SERFF Upgrades & Regulation Review for Procedure Development & Training Internal Web Page Development for Disclosure
<b>December 2010</b>	Select Vendor for Actuary Services & IT Design Draft Cycle 2 Proposal
<b>January 2011</b>	2011 Legislative Session
<b>February 2011</b>	Request Emergency Clause to allow legislative change to be effective upon signature of the Governor for Disclosure & Stronger Rate Review Provisions
<b>March 2011</b>	Begin Consumer Outreach & Education
<b>April 2011</b>	Public Disclosure & Comments Period Implemented
<b>May 2011</b>	Internal Review of Public Comments
<b>June 2011</b>	Hearing Procedures Established
<b>July 2011</b>	HHS Reporting and Staff Training
<b>August 2011</b>	Audit Process and Review Necessary Improvements
<b>September 2011</b>	Consider Revision and Actions of Improvement with Consumer Advisory Board

## Common HHS Questions and Answers on Funding & Requirements

**If my state is not able to expend \$1 million dollars in the allotted budget period are we eligible for a no-cost extension to extend the project period for Cycle I independently of applying for grants in a subsequent cycle?**

Yes, requests for no cost extensions at the end of the project period will be considered for States as justified for Cycle I grants. States are also permitted to roll grants funds forward to subsequent grant cycles; however the use of funding must be in compliance with the terms in conditions dictating the subsequent grant cycle.

**Will there be a template for state submission of data and will states be able to assist in the development of that template?**

There will be a data template provided for the submission of data as outlined in the Special Terms and Conditions of the award. The Office of Consumer Information and Insurance Oversight (OCIIO) will provide technical assistance and collaborate with States on all data reporting requirements under the grant.

**Will the States be required to continue reporting to the Secretary if funding is not continued for this program?**

Reporting obligations are for the grant period established in the Notice of Grant Award for the Cycle I Premium Review Grant. Additional federal regulations will be issued later in FFY 2010 regarding the annual process for rate review.



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