



# Florida Office of Insurance Regulation

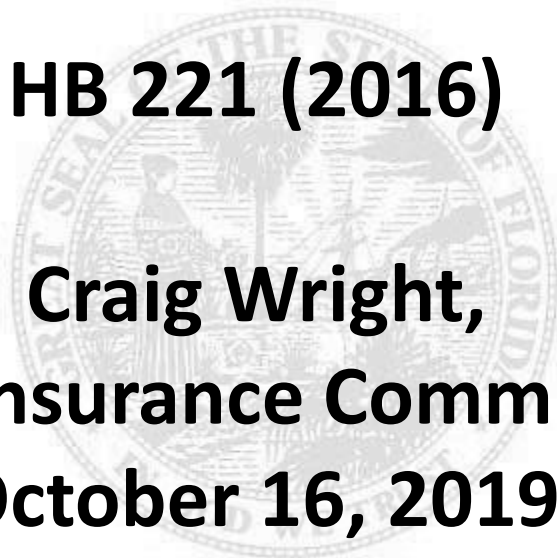


**HB 221 (2016)**

**Craig Wright,**

**Deputy Insurance Commissioner**

**October 16, 2019**





## OIR Mission and Vision

### **Mission**

Promote a stable and competitive insurance market for consumers

### **Vision**

The Office of Insurance Regulation envisions a robust and competitive insurance market while maintaining protections for the insurance-buying public.



## Life & Health Business Unit – Major Functions

- **Policy form and rate reviews**
  - We **do** regulate the forms and premiums for most group and individual Medical, Limited medical such as hospitalization or cancer policies, Dental, Vision, Long-Term Care, Disability Income, and Medicare Supplement.
  - We **don't** regulate the forms or premiums for Medicaid, Medicare Advantage, or Self-Insured single employer plans (ERISA plans).
  - We **don't** review rates for large group health policies.
- **Market conduct investigations and examinations**
  - Licensed entities that have potentially violated statute
  - Unlicensed entities that should be licensed
- **Company licensing and solvency monitoring**
  - Life and health insurers, HMOs, Multiple employer welfare arrangements (MEWAs), TPAs, Reinsurers, Continuing Care Retirement Communities, etc.



## HB 221 (2016) – Background

- Expanded coverage requirements for Down Syndrome for large group and state employee insurance
- Addressed balance billing
- Increased disclosures to consumers regarding provider networks
- Standardized prior authorization forms when an electronic process is not used



## HB 221 (2016) – Background: Balance Billing

- Prior to HB 221 being passed, providers could balance bill consumers for the difference between the bill and what the insurance company paid.
- This caused great consumer dissatisfaction, as many consumers were balance billed for emergency services when they had little control over determining if providers were in-network.
- HMOs had a balance billing prohibition in accordance with Sections 641.3154 (nonemergency) and 641.513 (emergency) before the passage of HB 221 (2016).



## HB 221 (2016) – Effect of the Bill

- The bill had three primary effects with regards to balance billing:
  1. Prohibited providers from balance billing consumers for emergency services
  2. Outlined payment determination for insurance companies to reimburse non-contracted providers
  3. Created an appeals process for reimbursement amounts



## HB 221 (2016) – Effect of the Bill: OIR

- The bill also enacted three provisions for which the OIR has responsibility:
  1. Prior Authorization
  2. Requires insurers to publish lists of contracted providers on their website
  3. Provides notices to subscribers regarding potential for balance billing for non-emergency procedures provided by out-of-network providers



## HB 221 (2016) – Effect of the Bill: Prior Auth

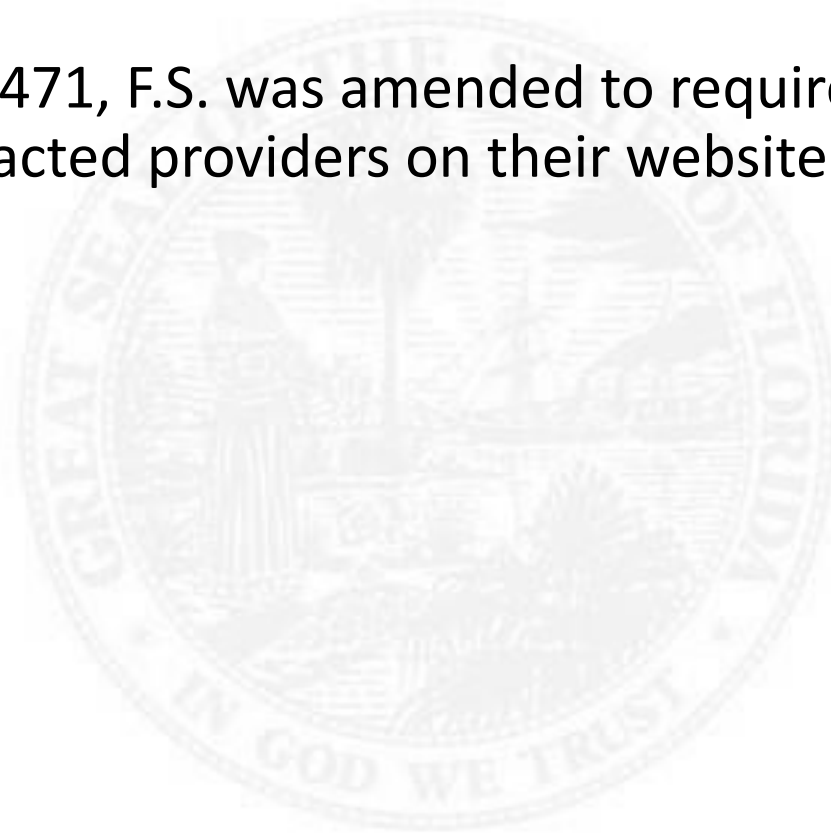
- 627.42392(2), F.S. enacted to require health insurers and PBMs to either provide an electronic prior authorization form or use the standard one promulgated in the rule
- Form must be less than 2 pages and include enough information to identify the member and describe the medical issue
- 690-161.010, and .011, F.A.C. were effective January 11, 2017





## HB 221 (2016) – Effect of the Bill: Website List

- Section 627.6471, F.S. was amended to require insurers to publish a list of their contracted providers on their website and update that list monthly





## HB 221 (2016) – Effect of the Bill: Notices

- 627.6471(7), F.S. requires insurers to include a specific disclosure in their contract forms
- “WARNING: LIMITED BENEFITS WILL BE PAID WHEN NONPARTICIPATING PROVIDERS ARE USED. ... YOU MAY BE REQUIRED TO PAY MORE THAN THE COINSURANCE OR COPAYMENT AMOUNT...”
- OIR enforces proactively in our Forms approval process
- All Forms where this is applicable have required language



## Air Ambulance

- Air Ambulance services are provided at substantial costs to consumers
- The Airline Deregulation Act has generally preempted states from regulating air ambulances
- Commissioner Altmaier, along with officers of NAIC, sent a letter to Senate HELP Committee Chairman and ranking member encouraging their continued efforts in passing federal legislation prohibiting air ambulance balance billing