

FLORIDA HEALTH INSURANCE ADVISORY BOARD

Board of Directors Meeting

May 4, 2010

4:00 P.M.—7:00 P.M.

Orange County Commission Chambers

401 South Rosalind Avenue

Orlando, Florida

APPROVED MINUTES

Board Members Present:

Commissioner Kevin McCarty, Chair	Tamara Meyerson	Joan Galletta
Rick Wallace (by phone)	Maria Wells	Mark LaBorde
Tom Warring (by phone)	John Matthews	Adam Clatsoff
Mark McGowan (for Randy Kammer)	Harry Spring	

Others Present:

Torre Grissom

I. Remarks by Chairman

Commissioner McCarty thanked the Orange County Board of County Commissioners for allowing the Office of Insurance Regulation and the Board to use its chambers for the day's proceedings. Mr. McCarty further detailed the anticipated events of the day.

II. Call to Order

Mr. McCarty instructed Board members to introduce themselves, including affiliation, noted the presence of the quorum and called the meeting to order.

III. Antitrust Statement

The Chair directed the members to the antitrust statement.

IV. Approval of Minutes

The Chair asked if there were any corrections or additions to the December 15, 2009 minutes. The Board approved a motion to approve the amended minutes with Ms. Galletta moving the motion and Mr. LaBorde seconding.

V. Presentation of Operating Budget

Mr. Grissom presented a proposed operating budget for the Board in CY2010, outlining the changes to the budget and noted that significant cuts were reflected in the totals compared to CY2009. Mr. Grissom requested that the budget be considered and approved by the Board. Upon request for a motion by the Chair, consideration of the budget was moved by Ms. Wells and approved by Ms. Galletta.

In discussion of the budget, Mr. Spring noted the federal health care reforms and potential for the Board to meet more often throughout the year than anticipated, and that it would be prudent to increase spending authority by \$5,000 in the Board's expense and travel categories. The Chair was not opposed to including such an amendment to the proposed budget. Ms. Wells made a motion to approve Mr. Spring's amendment and it was seconded by Ms. Galletta.

The Board subsequently approved the amended budget on the amended motion by Ms. Wells with Ms. Galletta's second.

VII. Report on Major State Legislative Actions Related to Health Insurance

The Chair introduced Deputy Commissioner Mary Beth Senkewicz for a presentation on significant initiatives in the health insurance arena during the 2010 state legislative session. Ms. Senkewicz acknowledged that while the session was noteworthy in many respects, the number of bills in play related to health insurance was rather limited. Provisions related to health insurance that did pass were found in HB 1143, which Ms. Senkewicz briefly summarized.

In discussion of the presentation by Ms. Senkewicz, Mr. Spring suggested that the cuts in reimbursements to Medicaid providers should be included as a significant action by the legislature that would have an impact on the commercial market.

VIII. Report on the Federal Patient Protection and Affordable Care Act

The Chair again acknowledged Ms. Senkewicz for a presentation of the recently passed federal health care reforms which were included in the Patient Protection and Affordable Care Act.

Ms. Senkewicz related the details and implementation deadlines of the Act with an emphasis on key federal implementation actions, necessary state responses, and expected impact on carrier regulatory filings and operations, as well as new federal minimum standards that were part of early implementation provisions.

Ms. Senkewicz further described changes to minimum loss ratio requirements in various markets as well as broader reforms that were part of requirements scheduled for full implementation by 2014, including extensive changes to the individual and small group markets. The anticipated changes to the structure of federal bureaucracy charged with

overseeing the Act was also described, as was the role of the NAIC in helping to coordinate state responses.

During Ms. Senkewicz's report, there were numerous questions and discussions including:

The Chair inquired into the extent of expected new filings in the near term related to the required federal standards;

Mr. Clatsoff inquired into the responsibility of individuals for costs incurred if insurance was not purchased under the mandate provided in the Act;

Ms. Galletta inquired what changes in premiums could be expected for younger individuals under the provisions of the Act;

Ms. Meyerson inquired whether or not non-qualified health plans currently sold in Florida would still be available once the federal reforms were implemented;

The Chair led a short discussion regarding premium impacts of the Act on various age groups;

Mr. Clatsoff asked about the status of the current high risk pool and the prospects for such pools under the Act, which led to a lengthy discussion of this issue;

The Chair inquired into the role of "navigators" in state-based exchanges, which led to a larger discussion of exchanges, as well as other ombudsman provisions in the Act.

IX. Adjournment

Upon completion of the agenda, there being no further business before the Board, the meeting was adjourned on the motion of Mr. Clatsoff and without objection the Chair adjourned the meeting.

Kevin M. McCarty, Chairman

Date