



Insights into Insurance: Commercial Coverage and Costs

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Rate Your Understanding: Commercial Health Insurance

1. Help! I don't get it. At all.
2. Meh. I kind of get it but still have a lot to learn.
3. So so. I think I understand it well but probably have more to learn.
4. Woo! I can teach this topic. I'm basically an expert.



- Insurance 101: The State Role
- State Policy Options
 - Coverage
 - Costs
- Q&A / Discussion

Plan for Today's Session

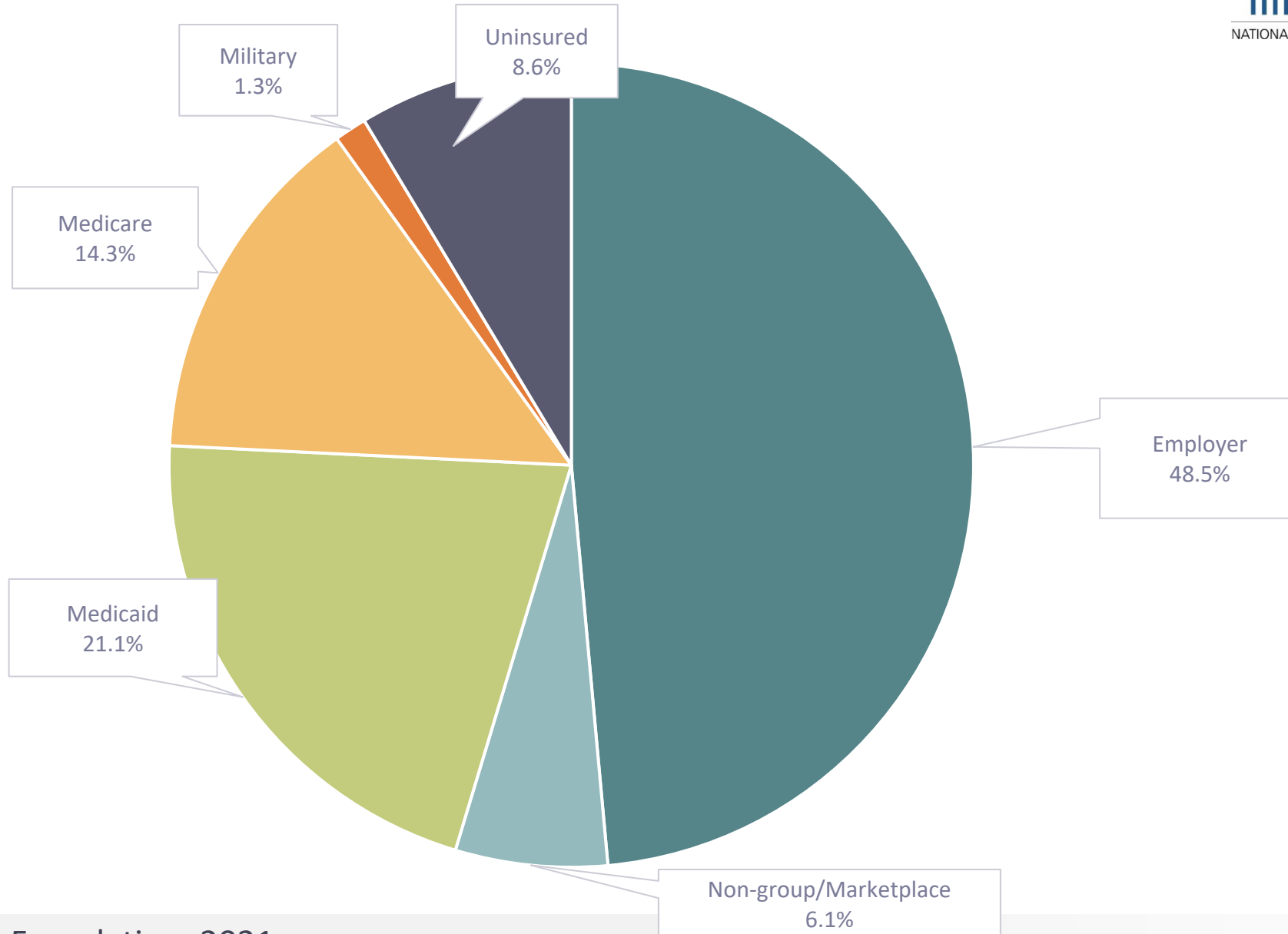


Trivia Time!

Which health insurance payer covers the largest number of Americans?

- A. Medicaid
- B. Medicare
- C. Employer-Sponsored
- D. Marketplace Coverage

Health Insurance Coverage of the Total U.S. Population



State vs. Federal Role: Private Insurance Regulation

States Can Regulate

- Marketplace plans (individual and small group)
- Marketplace alternatives (e.g., short-term, limited-duration plans, association health plans, health care sharing ministries)
- Fully-Insured Employer-Sponsored Plans
 - Employer pays a premium to a health insurance company
 - Approx. 40% of covered workers

States Can't Regulate (Preempted by ERISA)

- Self-Insured/Self-Funded Employer-Sponsored Plans
 - Employer pays most of the health care costs of employees as the claims occur
 - Approx. 60% of covered workers

Ensuring Access to Commercial Coverage: Legislative Levers



Coverage Mandates



Network Adequacy



Bolstering the Individual
Marketplace

Coverage Mandates – 10 Essential Health Benefits



Coverage Mandates

Health Benefit Mandates

- **Connecticut** ([HB 5001](#)), **Delaware** ([HB 303](#)) and **Massachusetts** ([SB 3097](#)) established private insurance coverage for mental health wellness exams.
- **Tennessee** ([HB 2544](#)) enhanced coverage requirements for breast cancer screenings.

Health Provider Mandates

- **Rhode Island** ([HB 5929](#)) requires perinatal doula services in private health insurance plans.
- **Virginia** ([SB 525](#)) requires coverage for services provided by a licensed athletic trainer.

Persons Covered Mandates

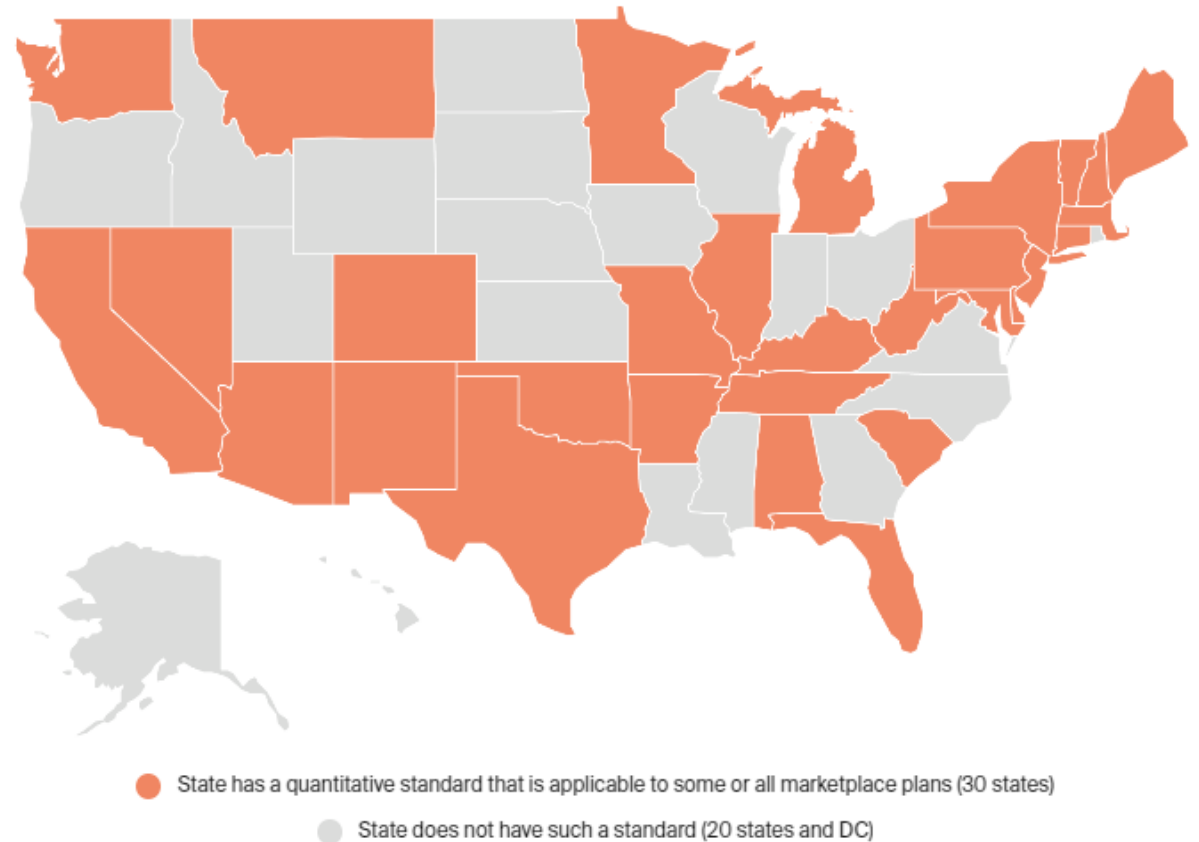
- **Florida** [Fla. Stat. § 627.6562](#) allows for dependent health coverage until 30.
- **South Dakota** [S.D. Codified Laws § 58-17-2.3](#) allows for dependent health coverage until 29.
- **Colorado** [C.R.S. § 10-16-104 \(6.5\)](#), specifies that plans that covers a natural dependent child must also cover adopted children under the same terms.

Network Adequacy

Quantitative standards include:

1. travel times and distance between enrollees and providers in certain types of geographic areas;
2. minimum number of providers or provider-to-enrollee ratios; and
3. appointment wait times.

States Where Marketplace Plans Are Subject to One or More Quantitative Standards for Network Adequacy, 2021



Source: Justin Giovannelli, "Federal Regulators Appear Set to Take a More Active Role to Ensure ACA Marketplace Plan Networks Are Adequate," Commonwealth Fund, Feb. 15, 2022.

Stabilizing the Individual Marketplace

State Action on 1332 Waivers

1

Approved Waiver

Federally approved 1332 waiver

2

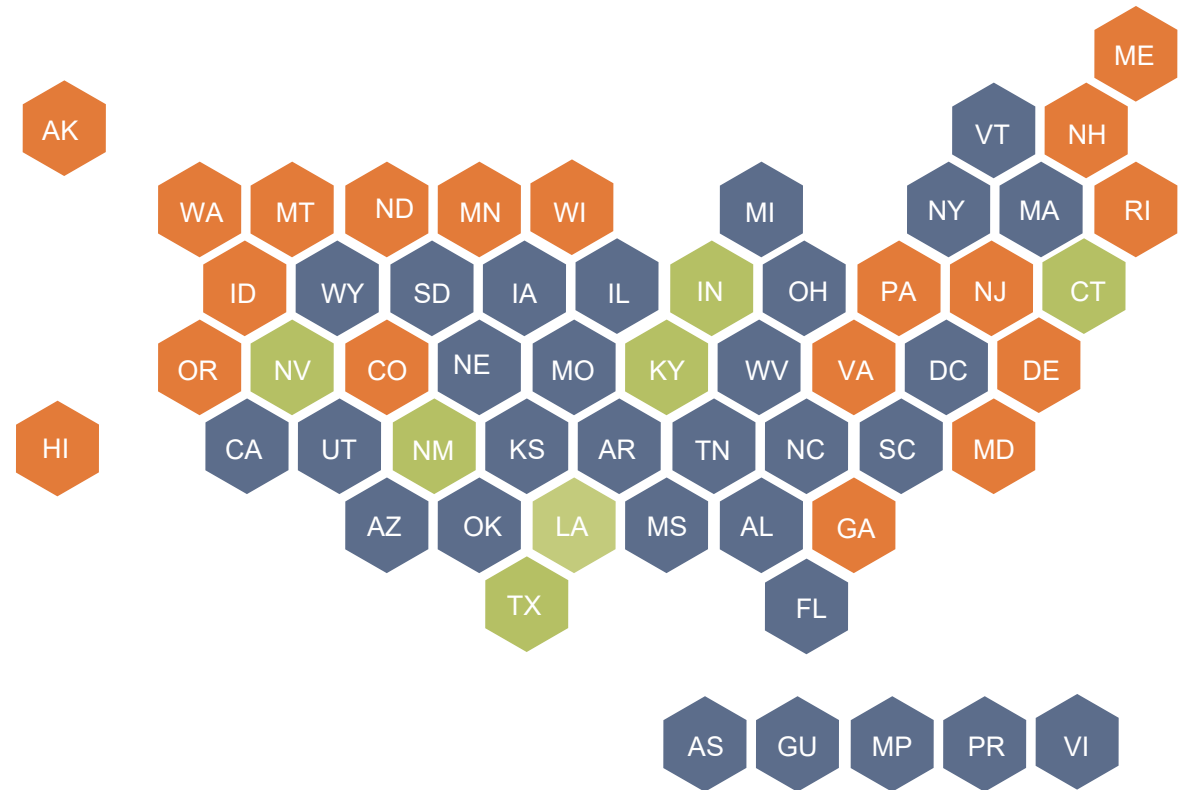
Enacted Legislation

Enacted legislation authorizing submission of 1332 waiver

3

No Action

No legislation in place or waiver approved



*as of August 2022





Trivia!

Health care costs have increased at a greater rate than the rest of the economy. If the cost of other goods had risen as quickly as health care costs, a dozen eggs now would cost how much?

- A. \$20
- B. \$55
- C. \$40

Containing Commercial Health Care Costs: Legislative Levers



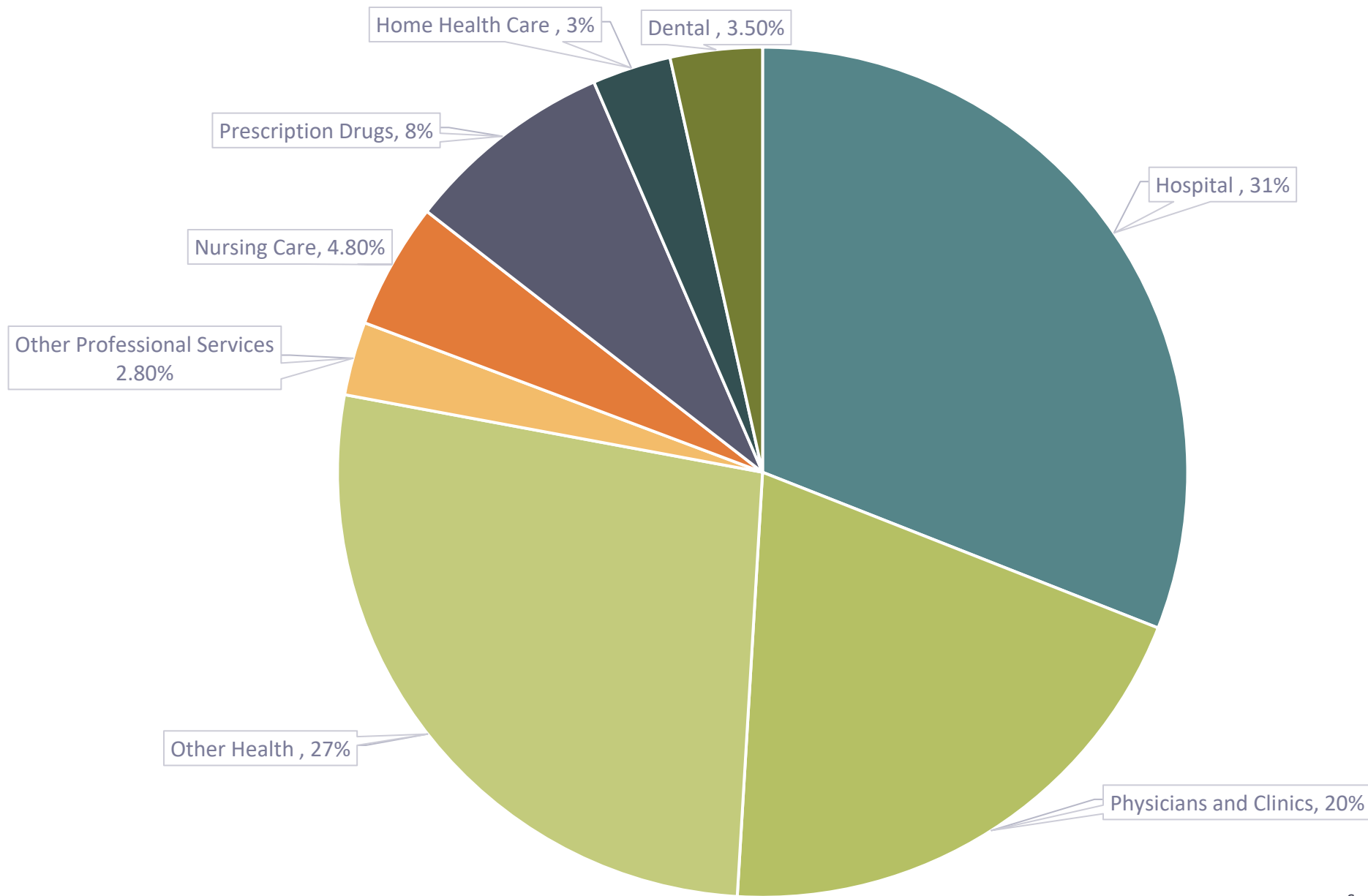
Health System
Concentration and
Consolidation



Surprise Billing and
Medical Debt



Price Transparency



Source: Kaiser Family Foundation analysis of National Health Expenditure data

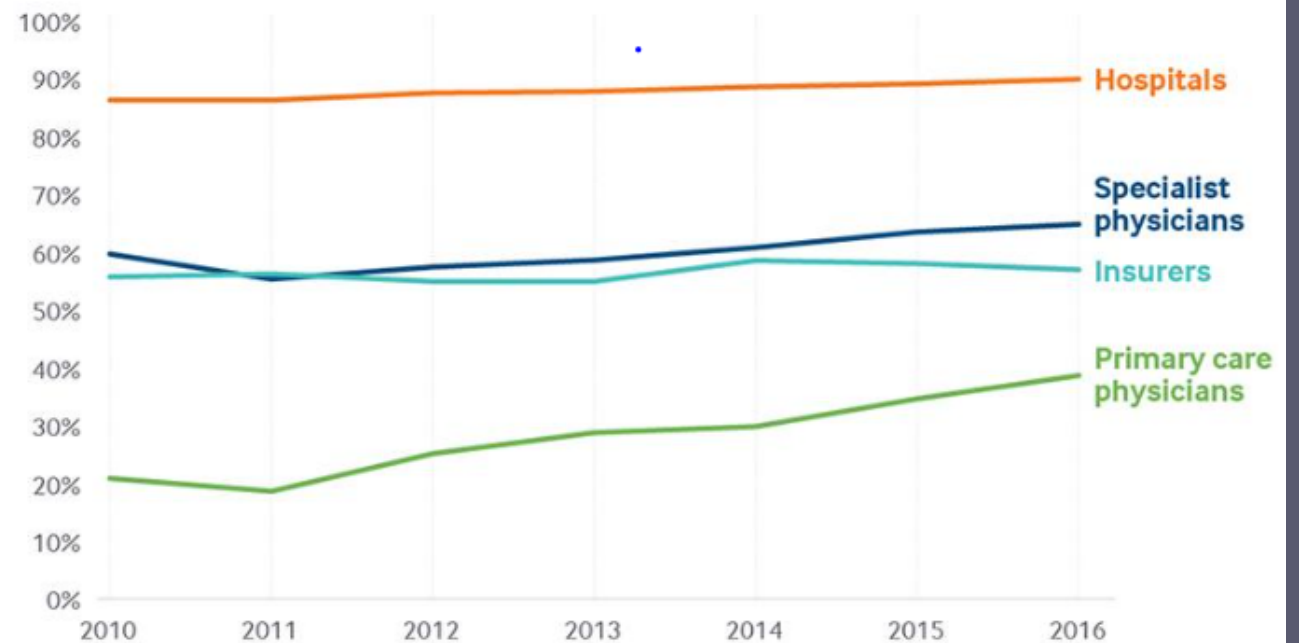
National Health Expenditures by Service, 2020

Health System Consolidation and Concentration

Policy options include:

- Transaction Notice, Review, and Approval
- Anti-Competitive Contract Terms
- Certificate of Need
- Certificate of Public Advantage

Percentages of Metropolitan Areas with Highly Concentrated Markets for Hospitals, Physician Organizations, and Health Insurers, 2010–2016



Adapted from B. D. Fulton, "Health Care Market Concentration Trends in the United States: Evidence and Policy Responses," *Health Affairs*, Sept. 2017 35(9):1530-38.

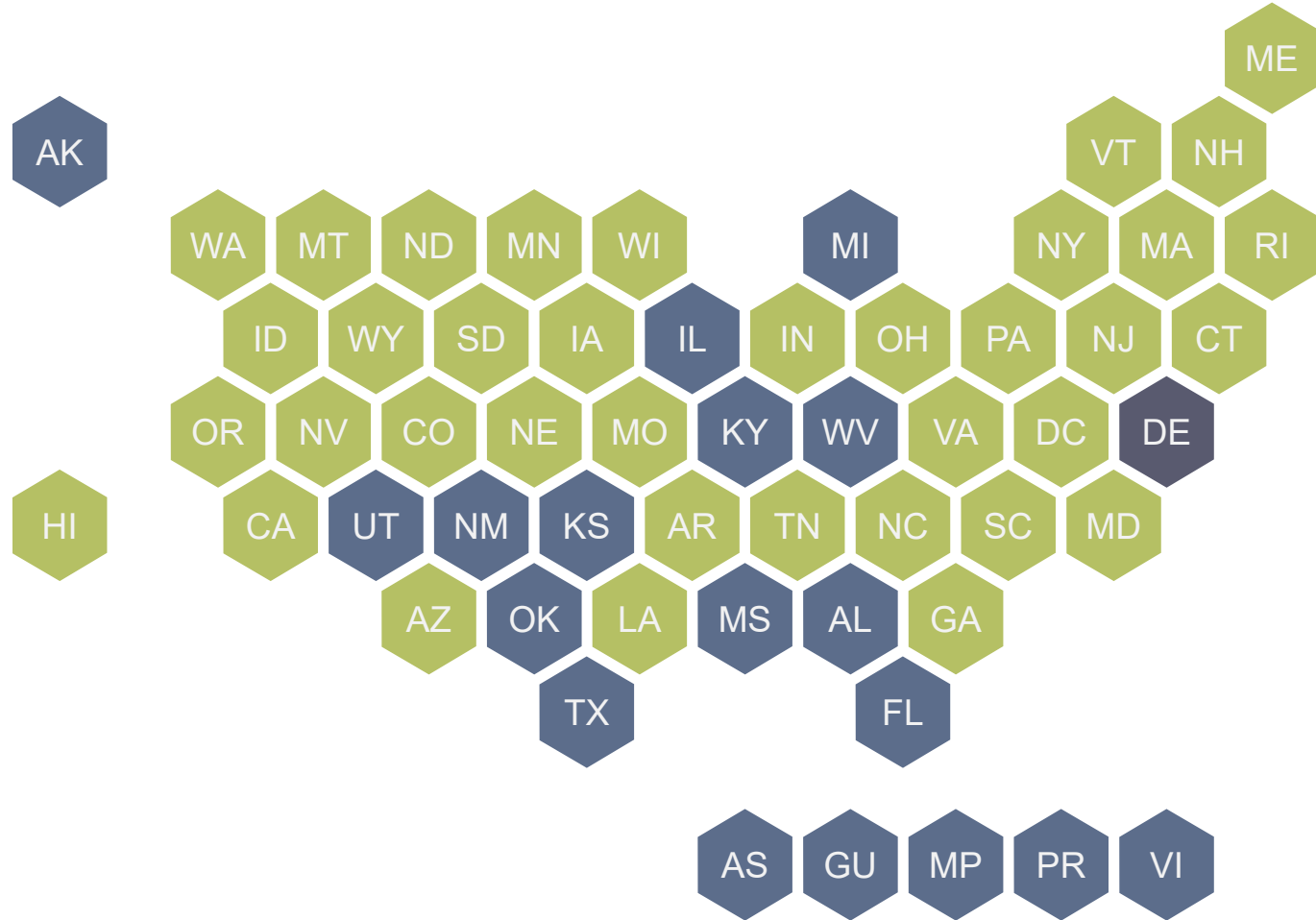
Transaction Notice, Review, and Approval

1

States with Transaction Notice, Review, or Approval Requirements

2

No Action



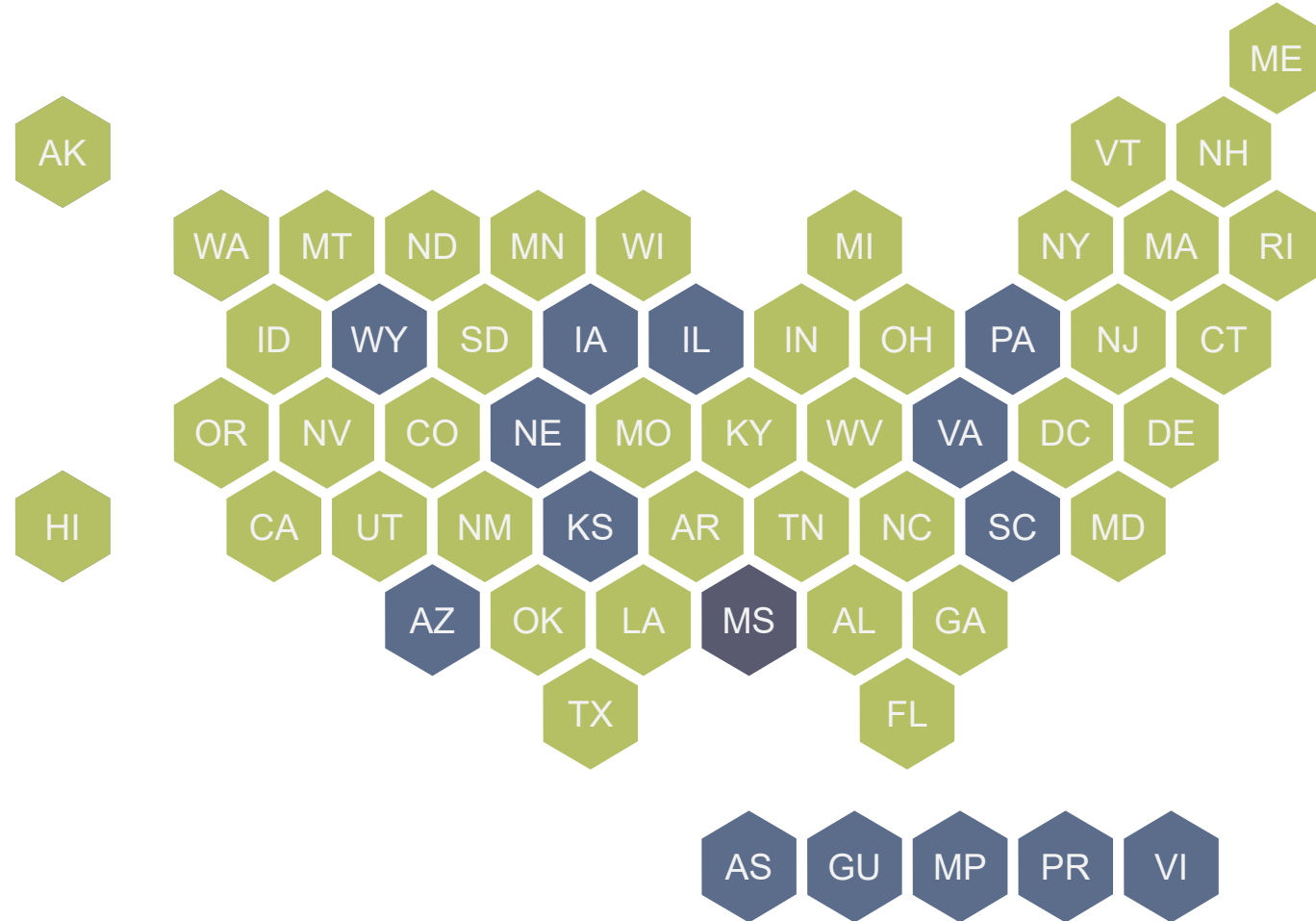
Anti-Competitive Contract Terms

1

States with Some Form of Contracting Restrictions

2

No Action



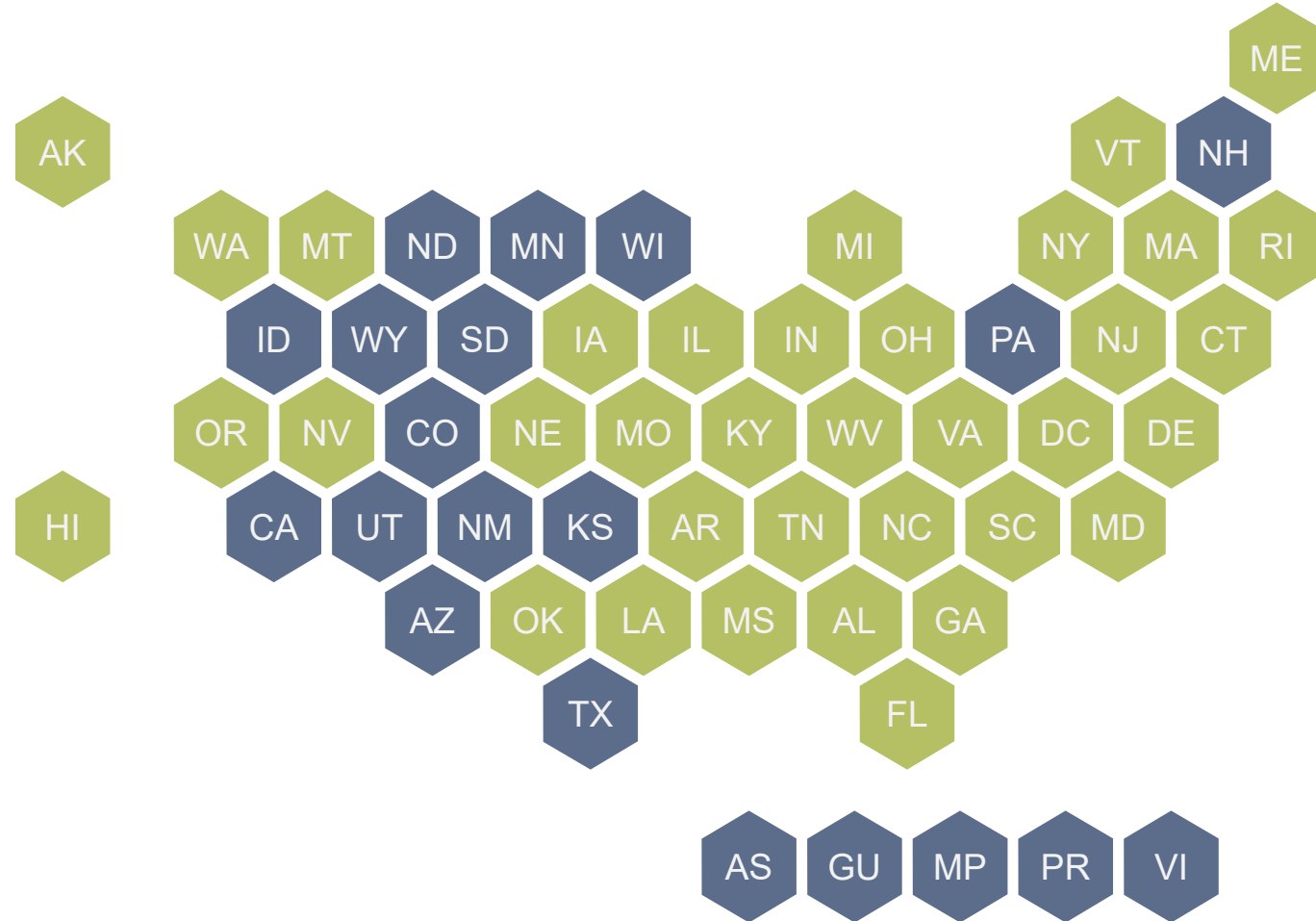
Certificate of Need

1

States with Certificate of
Need Requirements

2

No Action



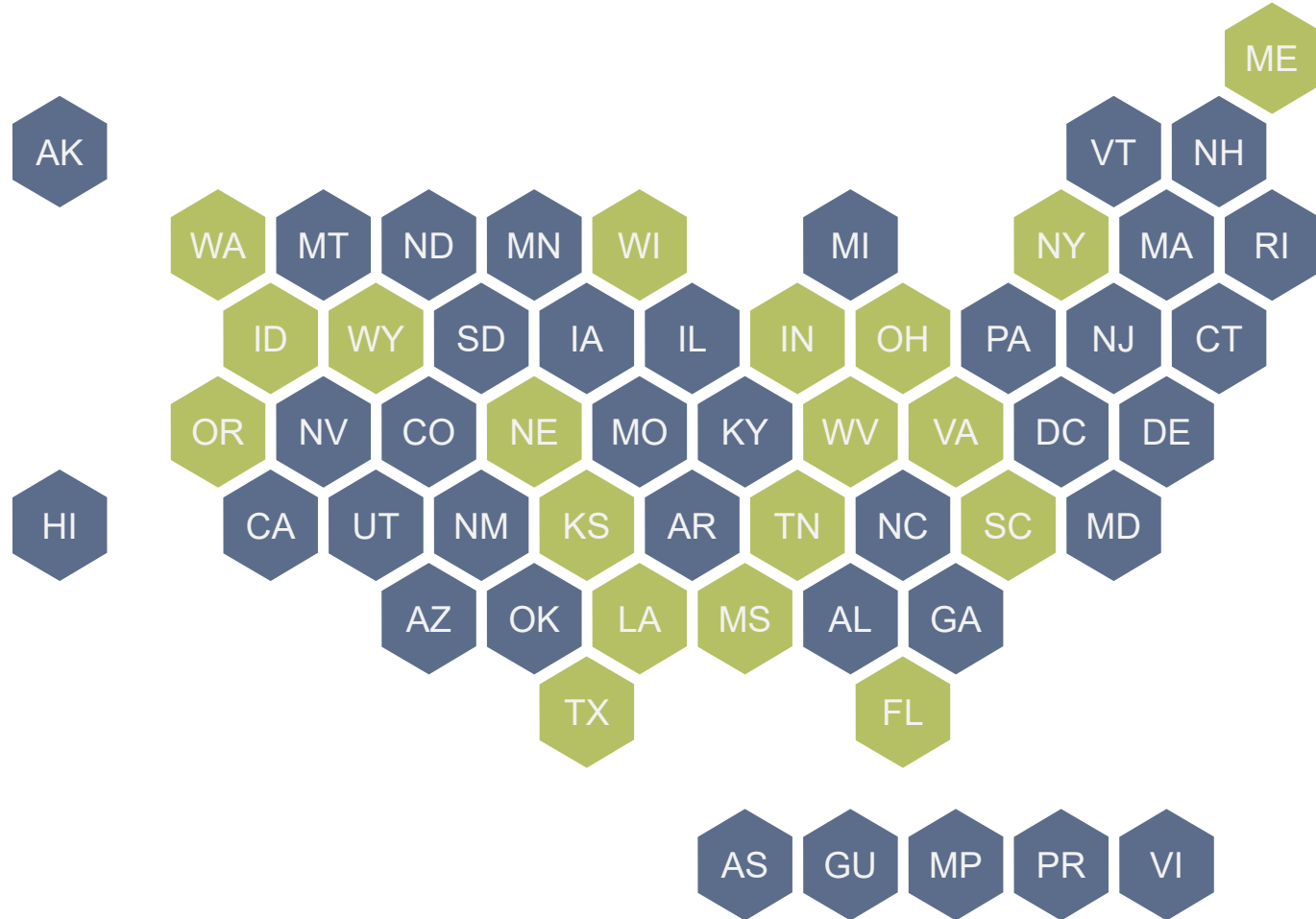
Certificate of Public Advantage

1

States with Certificate of Public Advantage Requirements

2

No Action





Surprise Billing

- **Washington** [HB 1688](#) amended its surprise billing law to mirror federal requirements, including applying protections to post-stabilization services and emergency behavioral health services.
- **Georgia** [SB 566](#) added emergency mental health and substance use care to its surprise billing law.



Medical Debt

- **Virginia** [HB 1071](#) requires hospitals to screen patients for public insurance or financial assistance eligibility before engaging in debt collections.
- **New York** [AB 7363](#) protects patients from certain penalties (such as liens or wage garnishment) due to actions brought by hospitals or health care professionals.

All-Payer Claims Databases (APCD)

1

Existing APCD

Existing APCD (includes states with voluntary efforts)

2

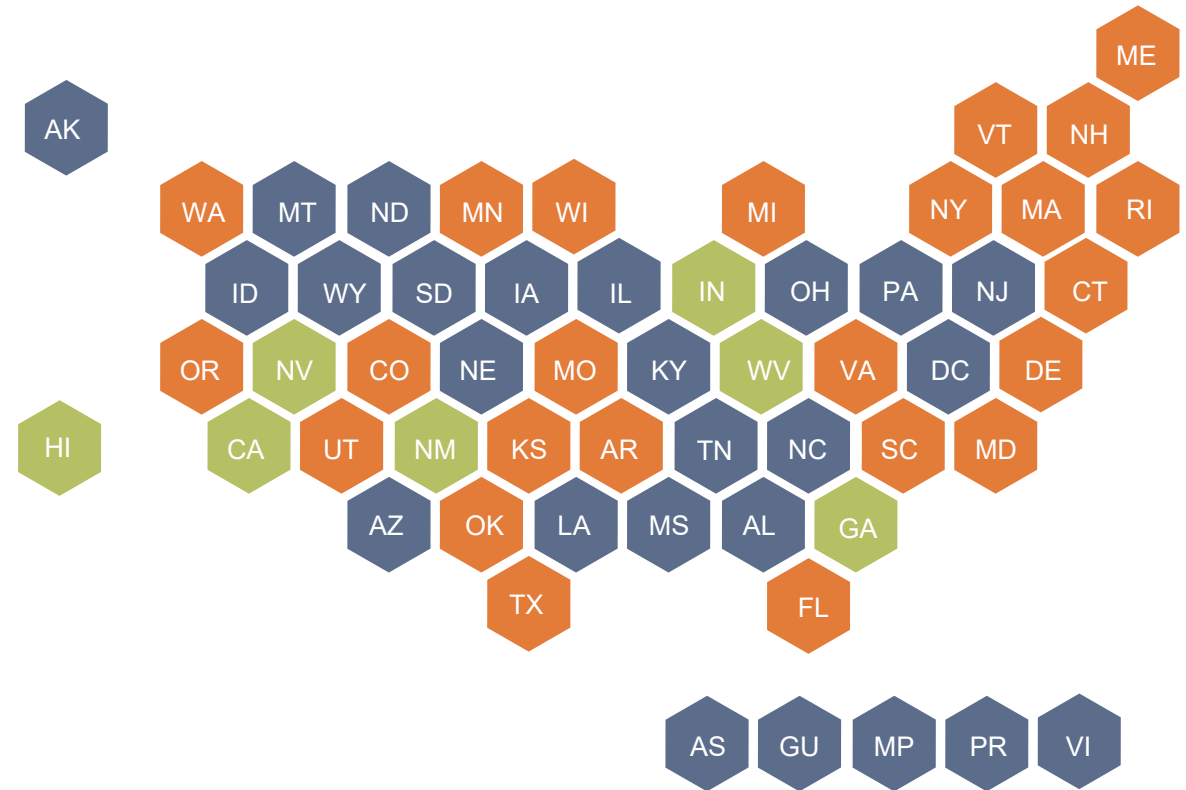
In Implementation

APCD is in implementation

3


No Action

No APCD



Additional Resources

NCSL's Health Costs, Coverage and Delivery State Legislation Database



Health Costs, Coverage and Delivery State Legislation

Topic Search

- Market
- Medicaid
- State-Run Programs
- Telehealth

Filters

Years

2022

2023

Status

Adopted

Enacted

States

Select all

Alabama

Alaska

American Samoa

Arizona

Arkansas

California

Colorado

Connecticut

Delaware

District of Colum...

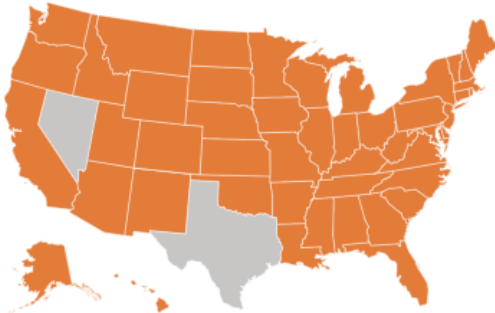
Bills

401

States

52

Clear Filters



Summary Text Search

Select multiple boxes/states by using CTRL+Click

STATE	BILL	YEAR	STATUS	CATEGORY	SUBCATEGORY	SUMMARY
Alabama	H 287	2022	Enacted	Medicaid	Payment and Delivery Reform; Providers; Other	Relates to emergency medical transport providers, impose an assessment on emergency medical transport providers, provides additional Medicaid enhancement payments for the maintenance and expansion of emergency medical transport services, provides the methodology for calculating the assessment, provides the rate of the assessment, provides the distribution of assessment proceeds.
Alabama	HB 1	2023	Enacted	Telehealth	Other	Up to \$9,000,000 shall be used to facilitate the expansion and use of telemedicine. Eligible uses shall include the facilitation and expansion of healthcare specializations in rural and community hospitals through telemedicine affiliations with hospitals or health systems in the state and the utilization of telemedicine delivery systems in rural and educational settings
Alabama	S 167	2022	Enacted	Telehealth	Providers	Provides and adopts the Occupational Therapy Licensure Compact to allow occupational therapists to practice among compact states in a limited manner, provides eligibility requirements for occupational therapists to practice pursuant to the compact, provides for a coordinated licensure information system, joint investigations, and disciplinary actions, establishes the Occupational Therapy Compact Commission and to provide for membership, powers, and rulemaking functions of the commission.
Alabama	S 272	2022	Enacted	Telehealth	Private Insurance; Providers	Relates to the practice of medicine, relates to the licensing of the practice of medicine and osteopathy across state lines, provides for the practice of telemedicine in the state.
Alabama	S 99	2022	Enacted	Telehealth	Providers	Provide and adopt the Counseling Compact to allow licensed professional counselors to practice among compact states in a

This database is made possible through the generous support of The Commonwealth Fund, a national, private foundation based in New York City. **UPDATED: 4/14/2023**

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Group Activity and Discussion



Red

Most pressing commercial coverage issue in your state, and why?



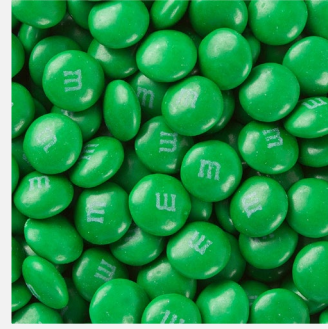
Orange

Brag on your state!



Yellow

Most pressing health care costs issue in your state, and why?



Green

Commercial insurance state policy option of greatest interest to you?



Blue

Tell us about a coverage or costs bill from the 2023 session?



Brown

Wild card: your choice!