

HEALTH LAW UPDATE

April 29, 2010

National Co-Leaders

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NEW FEDERAL OVERSIGHT STRUCTURE FOR INSURANCE MARKET REFORMS

As the first of what may be multiple new offices created to oversee implementation of health reform, the U.S. Department of Health and Human Services (HHS) recently established the Office of Consumer Information and Insurance Oversight (OCIIO) within HHS "to provide leadership for implementing the provisions of the health reform bill that address private insurance." Operating with a staff of volunteers from within HHS, the OCIIO is headed by Jay Angoff, who formerly served as Insurance Commissioner of Missouri and chaired Missouri's Commission on Health Insurance Reform. Mr. Angoff also served as Deputy Insurance Commissioner of New Jersey and Director of the Private Health Insurance Group at the Centers for Medicare & Medicaid Services (CMS). The OCIIO is comprised of the following offices and divisions:

- Office of Oversight -- charged with implementing and enforcing insurance market rules including those governing medical loss ratios and rate review.
- Office of Insurance Programs -- responsible for administering the temporary high-risk pool program and associated funding to the states and the early retiree reinsurance program.
- Office of Consumer Support -- accountable for collecting, compiling and maintaining insurance plan comparative price data, providing assistance to consumers and issuing consumer assistance grants to the states.
- Office of Health Insurance Exchanges -- responsible for developing and implementing policies and rules governing state-based exchanges including establishing and issuing planning grants to states and providing oversight for the exchanges.

According to its FAQ sheet, the OCIIO "will work closely with the Centers for Medicare and Medicaid Services' components that currently oversee Medicare and Medicaid to ensure effective coordination between public and private insurance."

Health plans are struggling with a number of compliance issues related to the Patient Protection and Affordable Care Act (Pub. L. 111-148), as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152) (collectively, PPACA), given the current absence of federal guidance on rate review, medical loss ratios and the new high-risk pools. Similarly, state insurance commissioners are voicing concerns over the implementation of the high-risk pools, required within 90 days of enactment, and whether the \$5 billion set aside for their operation and development will be sufficient.

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