

TESTIMONY

Presented by: Rebecca L. Ternes
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Before: Budget Section
Senator Tony Grindberg, Chairman

Date: June 19, 2012

Good afternoon, Chairman Grindberg and members of the Budget Section. My name is Rebecca Ternes and I am the Deputy Insurance Commissioner.

Supreme Court Ruling

As you are aware, the United States Supreme Court heard arguments surrounding the Patient Protection and Affordable Care Act (PPACA) in late March. The decision is expected any day now. The justices have many choices as they make their decisions such as upholding or striking the entire law, or striking only the individual mandate for health coverage.

The Insurance Department will be thoroughly analyzing the decision and its impact on consumers, insurers and agency operations.

Essential Health Benefits (EHB)

The Insurance Department testified in April to the Legislative Management's Health Care Reform Review Committee regarding the details of the EHB decision that must be made by September 30.

The Committee asked the Commissioner to study the benchmark options provided by the state employee benefit plan, the federal employee plans, the commercial HMO plans and the small group plans and provide that information at a meeting later this summer.

We are currently working with the U.S. Department of Health and Human Services to determine the specific plan options and begin that analysis. The analysis will be completed by the contracted actuaries hired by the Insurance Department.

National Association of Insurance Commissioners (NAIC)

The Department continues to participate on numerous in-person and phone meetings on PPACA through the NAIC. Countless committees and subgroups are working on the details of implementation of the market reforms and the coinciding regulator adjustments.

That concludes my testimony. I would be happy to answer any questions. Thank you.