

Legislative Updates

The Massachusetts legislative session ended on July 31st without a compromise on major health care legislation. One of the major differences between the House and Senate was how to address provider price variation and support community hospitals. The Senate had proposed a minimum reimbursement level for community hospitals paired with some sort of cap for more expensive hospitals. The House had proposed assessments on health plans and some large hospitals with the money being diverted to community hospitals. The legislation also would have addressed telemedicine, out of network billing practices, quality reporting and the scope of practice for certain providers. We expect that many of these issues will be addressed when the Legislature reconvenes in January.

Massachusetts AHP Update

On July 27, the Massachusetts Division of Insurance (Division) issued guidance regarding Association Health Plans (AHP). The bulletin confirms the Division's authority to regulate AHPs and asserts that existing insurance laws applicable to fully-insured small and non-group coverage will continue to apply to eligible small businesses that are within a Multiple Employer Welfare Arrangement (MEWA), including AHPs. Further, carriers and licensed producers are required to ensure that marketing materials and other related documents used in Massachusetts are in compliance with all appropriate requirements. Full text of the bulletin can be found at: https://www.mass.gov/files/documents/2018/07/27/Bulletin%202018-03%20%28Legal%20Requirements%29_0.pdf.

New Hampshire AHP Update

On August 31, the New Hampshire Insurance Department (NHID) released a bulletin explaining the regulation of Association Health Plans (AHP) in New Hampshire. As explained in the bulletin, insurance coverage issued to small employer association members in New Hampshire cannot be treated as large employer coverage. Further, under New Hampshire law, AHPs are subject to the same statutory and regulatory requirements as any other MEWA or group health insurance plan. And fully insured AHP coverage must comply with all group rating requirements. NHID is convening a stakeholder working group this fall to develop legislation for consideration in early 2019 to address inconsistencies between current New Hampshire insurance statutes and federal AHP regulations.