

Ohio Association of Health Underwriters Legislative & Regulatory Update

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Effective Dates of OAHU-supported Legislation

- Reduction of the dependent age under a parent's health insurance plan from age 28 to age 26. **(Applies to plans offered on or after 1/1/2016)** Please note that this provision applies to **all** of Ohio's fully insured market.
- Increases from 25-30 hours the threshold to be considered a full-time employee to be eligible for employer health insurance **in Ohio's small group market.** **(Applies to plans offered on or after 1/1/2016)**
- Extends the maximum length of a short-term health insurance policy from "no longer than 6 months" to "less than 12 months" **(Effective 3/23/2015)**

ODI Issues Composite Rating Bulletin

The Ohio Department of Insurance issued a Composite Rating Bulletin that became effective on October 1, 2015. The Bulletin is effective for plan years beginning on or after January 1, 2016. Ohio's 4-tiered composite methodology may be used to set employer premium rates in the off-exchange market. To read the ODI Bulletin click on the following link: [ODI Composite Rating Bulletin](#)

Pending Legislation

Drug Manufacturers, Providers, Health Insurers and Employers debate how "Basic Benefit Package" is delivered to Ohio's Health Insurance Market

Since the passage of PPACA, the debate at the state level is much less about what is included in the basic benefit package; however, there is a vigorous debate over how health insurance benefits are implemented in the state of Ohio. On one side you have drug manufacturers, medical providers and some consumer groups who allege that health insurers provide unreasonable impediments to access to certain drugs and establish unreasonable protocols. On the other side are health insurers and some employer groups that believe certain techniques and protocols insure better quality care at a reasonable cost. Below are examples of pending legislation where these debates are occurring:

[HB 95 DENTAL SERVICES](#) (DeVitis) (Introduced 3/3/2015) To prohibit a dental insurer from establishing a fee schedule for dental providers that are not covered by any contract or

participating provider agreement between the dental insurer and the dental provider. The bill passed the House on June 10, 2015 and received its second hearing in the Senate Insurance Committee on November 18, 2015. The Ohio Dental Association is the lead proponent and the opponents are Delta Dental, the Ohio Association of Health Plans, the Ohio Chamber of Commerce, the National Federation of Independent Business and some unions.

[HB 275 VISION CARE](#) (Schuring) (Introduced 6/24/2015) Regarding limitations imposed by health insurers on vision care services. The bill's language relating to non-covered services is similar to the language in HB 95. HB 275 received its second hearing in the House Insurance Committee on October 20, 2015.

[SB 129 PRIOR AUTHORIZATIONS](#) (Gardner & Cafaro) (Introduced 3/16/2015) To amend the law related to the prior authorization requirements of insurers. The bill seeks to limit the prior authorization requirements health insurers impose on their enrollees. The bill passed the Senate on December 9, 2015. The bill has been referred to the House Insurance Committee. Proponents of the legislation are the Ohio State Medical Association, the Ohio Hospital Association and numerous other provider group. Opponents are the Ohio Association of Health Plans and its national Association (AHIP) and the Ohio Chamber of Commerce.

[SB 135 PRESCRIPTION DRUGS](#) (Cafaro & Jones) (Introduced 3/25/2015) To limit the out-of-pocket costs to an individual covered by a health plan for drugs used to treat rare diseases. The bill limits an enrollee's cost sharing for specialty drugs to no more than \$150 for a one-month supply. Also, health insurers are required to establish a process by which an enrollee may request that a specialty drug that is not listed on the insurer's preferred drug formulary be covered. The bill received its second hearing in the Senate Insurance Committee on October 20, 2015.

[HB 350 AUTISM TREATMENT](#) (Grossman & Terhar) (Introduced 10/1/2015) To mandate coverage of autism treatment. The bill would expand coverage for Applied Behavior Analysis and other medically necessary treatments for autism to populations that were not covered under Governor Kasich's 2012 Executive Order. The Executive Order applies to the state employee health benefit plans and non-grandfathered plans in the individual and small group markets, and Ohio's Medicaid "Healthchek" program for Medicaid recipients under 21.

Representative Grossman testified that the Ohio Department of Administrative Services reports that the cost of this coverage for fiscal year 2014 was \$269,173 or \$0.20 per member per month. The bill received its first hearing in the House Government Accountability & Oversight Committee on December 8, 2015.

[HB 248 MEDICAID DRUG COVERAGE](#) (Sprague & Antonio) (Introduced 6/8/2015) To prohibit certain health care plans and the Medicaid program from denying coverage for opioid analgesic drugs with abuse deterrent technology based solely on cost. The bill has received four hearings in the House Health & Aging Committee.

Proponents of HB 248 include Pfizer (manufacturer of opioid abuse deterrent drugs), the Ohio Society of Anesthesiologists, the Ohio Association of Behavioral Health Authorities and several

law enforcement agencies. Opponents are the Ohio Association of Health Plans, CVS Health and the Ohio Chamber of Commerce.

[SB 243](#) **STEP THERAPY** (Lehner & Tavares) (Introduced 11/17/2015) To adopt requirements related to step therapy protocols implemented by health plan issuers and the Department of Medicaid. Step Therapy is defined as the practice of beginning drug therapy for a medical condition with the most cost-effective and safest drug and progressing to other more costly or risky therapy, only if necessary (i.e., you must try drug "A" before you can get drug "B"). The goal is to control costs and minimize risks. The bill has been referred to the Senate Medicaid Committee.

New Bill Introduction

[HB 416](#) **SELF INSURANCE** (Schuring) (Introduced 12/14/2015) To enable state colleges and universities to establish joint self-insurance pools. The bill has been referred to the House Insurance Committee.