ATTACHMENT H

Arizona Department of Insurance
Transparency: Consumer Involvement in ADOI Rate Review Grant Project

Wednesday, February 23, 2011, 10:00am – 12:00pm
ADOI Offices, 2910 N. 44th Street, Suite 210, 2nd Floor Conference Room

Agenda

- Update re grant activities in general
- De-briefing on January 2011 community meetings
- On-line consumer survey
- Discussion of postings for website
- Stakeholder meetings, Round 2
  - Target participants and recruitment
  - Possible Topics
    - Looking at actual rate review filings with ADOI?
    - Feedback on draft postings for website
  - Venues
- Any other business/ items for discussion

Attendees

Arizona Department of Insurance

- Steven Noble
- Kathy Zatari
- Alix Shafer
- Mary Butterfield
- Erin Klug
- Susie Lesmeister
- Cathy O'Neil

Blue Cross Blue Shield

- Sue Navran
- Laura Meyer

Health Net

- Gay Ann Williams
- Brett Williams

St Luke's Health Initiatives

- Kim Van Pelt

TO: Alexandra Shafer, Asst. Director
(ADOI, Life & Health Division)

FROM: Kathy Zatari, Rate Review Grant Manager
(ADOI, Life & Health Division)

RE: Rate Review Grant Project: Transparency Objective
23 February 2011 Meeting Summary

Date: 23 February 2011

This memo sets forth topics discussed at the February 23, 2011 meeting convened by the Arizona Department of Insurance (ADOI), as part of its Rate Review Grant activities.

The Rate Review Grant requires ADOI to improve the transparency and effectiveness of rate review by, among other things, providing consumers with meaningful information about individual and small group health insurance rates. To this end, ADOI has put together an informal group of internal and external advisors from a variety of constituencies. So far, this "Transparency Team" includes two producers (agents), representatives of two insurers, the director of Arizona's SHIP program, a representative of St. Luke's Health Initiative (an Arizona non-profit organization whose work includes community health and health coverage issues) and staff from several ADOI divisions.

To obtain consumer comments, ADOI has hosted three Stakeholder Community Meetings in AZ during January 2011. To gain additional input and feedback since the conclusion of these Stakeholder Meetings, ADOI hosted the second Transparency Team Meeting, which was hosted on February 23, 2011.

Meeting Participants

- Laura Meyer — Vice President and Deputy General Counsel, BCBS AZ
- Brett Morris — President, Health Net AZ
- Gay Ann Williams — Vice President, (Legislative and Regulatory Compliance) Health Net
- Alexandra Shafer — Asst. Director (Life& Health), ADOI
- Kim Van Pelt — Associate Director (Arizona Futures) St.Luke's Health Initiatives
- Erin Klug — Public Information Officer, ADOI
- Mary Butterfield — Asst. Director (Consumer Affairs), ADOI
- Susie Lesmeister — Supervisor, (Consumer Affairs), ADOI
- Kathy Zatari — Rate Review Grant Manager, ADOI
- Steven Noble — Rate Review Administrative Assistant, ADOI
- Cathy O' Neil — Consumer Affairs, ADOI

Not Attending

- June Shaffer — Insurance Producer and Owner, Arizona Lifelines
- Frank Partridge — Vice President, Health Net
- Bruce Anderson — Chief Ethics Officer, Health Net
- Anne Marie Grande — Agency on Aging, Phoenix area
- Kristine Kassel — Insurance Producer and Owner, Benefits by Design
- Susan Navran — Executive Vice President of Internal Operations, BCBS AZ
- Susie Lesmeister — Supervisor, (Consumer Affairs), ADOI

The Meeting started with a brief introduction of all the attendees. Kathy Zatari gave an update on Grant activities (focusing on the first quarter of the grant period), and also gave an update from the Stakeholder Community Meetings which has generated 3 pages of feedback and comments from consumers and other stakeholders. Participants were provided copies of these comments.

Alix Shafer also provided a status update on grant-related activities, including the work performed by ADOI's retained actuary, Mercer. She discussed Mercer's work to date, including its review of SERFF filings and its development of the criteria and process for substantive review of individual health insurance rate filings.

Kathy noted additionally that she was preparing materials to be posted on the ADOI website by the end of the second quarter, or April 30, 2011. These materials will include a set of FAQs regarding rate review. Kathy noted that she would be sending these draft materials to the Transparency Team in the coming weeks, and requested their input and feedback regarding same.

Kathy then gave an update on the On-line Health Insurance Rate Review survey (copies of the survey were distributed to attendees for their perusal). Kathy mentioned that 67 people have completed the survey since it has been posted on the ADOI Website, and the survey would be on the ADOI Website up until at least the end of March 2011. Ideas were put forward for the survey to be distributed to other agencies and health care related organizations. The list included Arizona State Library, NAMI Arizona, Raising Special Kids, Children's Action Alliance, local Chambers of Commerce, entities from the behavioral health community, and the AZ Medical Association. Other ideas revolved around publicity, and these included posting links for ADOI's materials on the Insurers' Website.

The next subject to be discussed was the next round of stakeholder meetings, which are due to be held during early March 2011. There will be two meetings, one to be held in the East Valley and one to be held in the West Valley. These meetings are designed for small groups of consumers to view the types of rate filing information that insurance companies submit, and then to get feedback from these consumer groups, about whether they think this information is useful, or whether it should be posted on the ADOI website. Additionally, these two consumer groups will be able to review draft FAQs and provide their comment. Kathy Zatari has been sending out notices to different consumer groups (PIRG and others) and has been receiving positive feedback regarding these upcoming meetings.

The Transparency Team was also informed that more public-related stakeholder meetings focusing on rate review grant activities are planned for early summer 2011, and different parts of Arizona are going to be chosen for the locations.
At the end of the February 23 meeting, ADOI staff invited the participants to continue to provide feedback and ideas in relation to the ongoing Health Insurance Rate Review Grant.