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## FISCAL UPDATE Article

Fiscal Services Division

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### NCSL COVID-19 WEBINAR — PRIVATE HEALTH INSURANCE

**Private Health Insurance Webinar.** On April 30, 2020, the National Conference of State Legislatures (NCSL) held a webinar on private health insurance provisions within the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Families First Coronavirus Response Act and actions states have taken in response to the COVID-19 public health emergency.

**State Regulation of Private Health Insurance.** The webinar identified health insurance products that can be regulated by states, including the individual market for fully insured individuals, the employer group market, short-term plans, excepted benefit products, health care sharing through religious organizations or religious entities (health care sharing ministries or religious community coverage), Multiple Employer Welfare Arrangements, and Association Health Plans. The preemption standard for fully insured markets is that states may enact stronger requirements provided that these requirements do not conflict with federal requirements.

**State Actions.** Several states have waived or reduced cost-sharing for COVID-19 treatments. Large health insurance carriers, including Aetna and Wellmark, have agreed to waive cost-sharing for COVID-19 treatments, including the clinical trial drug remdesivir, in the event that those treatments become widely accessible. The Centers for Medicare and Medicaid Services, the Department of Labor, and the Department of the Treasury require all commercial and Medicaid plans to cover serological (antibody) testing with no cost-share. Nearly 50.0% of states are requiring telehealth access, and the other 50.0% of states are recommending telehealth access. Additionally, several states have taken the following actions in response to COVID-19:

- Limiting the use of prior authorizations.
- Requiring telehealth parity in reimbursement to providers.
- Expanding modes of delivery of telehealth services.
- Offering and/or extending special enrollment periods for uninsured individuals.
- Offering health insurance premium payment relief.
- Extending coverage periods for individuals facing job loss.
- Providing balance billing protections for individuals needing to see out-of-network providers due to capacity issues.
- Granting insurance commissioners authority to take actions in the event of a public health emergency, such as modifying reporting requirements for claims, extending or providing grace periods, temporarily postponing cancellations and nonrenewals, and extending medical coverage to ensure access to care.

**Filling Gaps in Access and Coverage.** The Provider Relief Fund as appropriated through the CARES Act was intended to provide relief dollars to hospitals and health care providers on the frontlines of the COVID-19 response. The funding can be used to replace lost revenue due to COVID-19 for the coverage of health care-related expenses and to ensure that uninsured individuals receive COVID-19 testing and treatment. Iowa received \$297.9 million from the Provider Relief Fund.

**Prescription Drugs.** Some states have ordered commercial health insurance plans to provide early refills of prescription drugs during the COVID-19 public health emergency to allow consumers to maintain an adequate supply. However, due to the supply issues resulting from recommendations to use chloroquine to treat COVID-19, carriers have been allowed to apply quantity limitations for consumers in order to protect the supply for individuals with existing diseases that require the treatment (e.g., lupus).

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