



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Joseph Baker, Director

MEMORANDUM

TO: Loretta Medved, Ohio Department of Insurance

FROM: Michael Bender, Business Advocate

DATE: August 2, 2023

RE: **CSI Review – Chapter 8 Rules (OAC 3901-8-06, 3901-8-07, 3901-8-11, and 3901-8-16)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Department as provided for in ORC 107.54.

Analysis

This rule package consists of four amended rules proposed by the Ohio Department of Insurance (ODI) as part of the statutory five-year review process. This rule package was submitted to the CSI Office on June 23, 2023, and the public comment period was held open through July 11, 2023. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on June 23, 2023.

Ohio Administrative Code (OAC) 3901-8-06 establishes the form and content of the written consent that an insurer must obtain when requesting an applicant to submit to a human immunodeficiency virus (HIV) test. The rule is amended to update language. An appendix to the rule is also provided. The appendix contains the HIV test informed consent form and is amended to correct a spelling error and update the name of the Medical Information Bureau, Inc. to "MIB Group, Holdings Inc." OAC 3901-8-07 sets forth minimum standards and guidelines that insurers must follow when advertising sickness and accident insurance and prohibits the use of misleading or deceptive practices. The rule is amended to update language and citations, remove unnecessary language, and remove the requirement for insurers to file a certificate of compliance with the required annual statement. OAC 3901-8-11 describes certain unfair trade practices and sets forth minimum standards regarding the

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investigation and disposition of health claims arising under policies issued pursuant to Ohio regulations. The rule is amended to update language. OAC 3901-8-16 sets forth minimum standards for the disclosure of accurate information about a health insurer's provider network directory and related network information to enrollees and those shopping for coverage. The rule is amended to update language.

During early stakeholder outreach, ODI posted the draft rules on its website and emailed stakeholders in late April and early May 2023 informing them of a two-week comment period. The stakeholders included consumer groups and associations such as the Ohio Association of Health Plans, the Ohio Insurance Agents Association, the National Association of Insurance and Financial Advisors, and the Ohio Insurance Underwriters Association, in addition to insurance companies. No stakeholders provided feedback in response. No comments were received during the CSI public comment period.

The business community impacted by the rules includes insurers administering HIV consent forms, health insurers, and sickness and accident insurers, brokers, and agents. The adverse impacts created by the rules include provision of forms, following minimum standards, updating information, and submitting reports to the Superintendent of ODI. ODI notes that insurers are already meeting the provisions of the rules and will take on no additional impacts as a result of the revisions. ODI states that the adverse impacts to business are justified to provide transparency and essential consumer protections.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that ODI should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.