PUBLIC SUBMISSION

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Group Health Plans and Health Insurance Coverage: Interim Final Rules for Relating to Status as a Grandfathered Health Plan under the Patient Protection and Affordable Care Act

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Group Health Plans and Health Insurance Coverage: Interim Final Rules for Relating to Status as a Grandfathered Health Plan under the Patient Protection and Affordable Care Act

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General Comment

While reading the final regulations, two items came to mind that should be re-considered. First, the loss of grandfathering if a plan changes insurance companies. It seems to me that the plan itself and the plan design is more important to the participant and the business than the insurer. By preventing the company from shopping the identical plan to other insureres, you are limiting the competition that this legislation is professed to increase. Why, if I can maintain all the criteria for grandfathering by shopping the market, can't I go with an insurer that may save my employees and my company money? I suggest that if all other criteria for grandfathering a plan are in place(including limits on cost to participant), that a plan may change insurers.

Second, The 15% plus medical inflation component is a step in the right direction. However, it only allows the 15% component once at the time of co-pay/deductible adjustment. As the example shows, if I make no change at all in my plan for two years, then I only get the 15% plus two years of medical inflation. On the other hand, if I change these components each year for the two years, then I get 15% plus medical inflation for the first change and another 15% plus medical inflation for the second change. You are giving businesses an incentive to change my plan to the maximum each year, rather than as needed. For example, we did not change our high deductible plan co-pay or deductibles for three years, prior to the reform. I recommend the regulations allow 15% per complete plan year between changes in co-pay and/or deductible.