STATE OF GEORGIA

Office of Insurance and Safety Fire Commissioner
Department of Insurance

RESPONSES TO WRITTEN QUESTIONS REGARDING

REQUEST FOR PROPOSALS

For

Georgia High Risk Pool Feasibility Study

RFP NUMBER 2008 - PS – 001

RESPONSES TO WRITTEN QUESTIONS RECEIVED BY NOVEMBER 3, 2008

The questions, or sets of questions, received by a potential Offeror are set forth in their entirety followed by the response(s) of the Department of Insurance ("Department").

QUESTION SET 1

Where can data on historical standard health insurance policy benefits and maximum premium rates be found? Has the State accumulated_any historical financial experience associated with the standard health_insurance policies? For the assignment mechanism for HIPAA-eligibles leaving self-funded groups, is there any historical information_including members, claims and loss ratios by company? How often is the assignment mechanism reviewed to determine each company's fair share of HIPAA-eligibles? Are the results of any reviews available to the successful vendor?

DEPARTMENT RESPONSE TO QUESTION SET 1

The various standard health insurance policy templates offered under the Georgia Health Insurance Assignment System ("GHIAS") and the Georgia Health Benefits Assignment System ("GHBAS") (collectively the "Assignment System") are available at:

http://www.gainsurance.org/Insurers/LandHPolicyForms.aspx

No financial or specific claims experience of Assignment System insurers has been compiled by the Department. However, open records requests might yield such data. But it should be noted that pursuant to state obligations attaching under HIPAA, our Assignment System (i.e., alternative mechanism) does not provide insurers with the ability to apply for premium rate adjustments based on Assignment System experience.

Some historical documents with respect to actuarial studies and the development of benefits and rates at the inception of the Assignment System may be available for inspection and copying upon request. However, some records are archived and may not be immediately available.

HIPAA eligibles that apply for and receive Assignment System coverage (i.e., HIPAA eligibles leaving self-insured plans) are assigned to insurers offering individual health insurance plans in accordance with the insurers' share of the individual health insurance market. In large part, one insurer, Blue Cross Blue Shield, continues to hold a large majority of the individual health insurance market. The Assignment System is reviewed approximately every two to three years and is subject to federal examination. Current market share estimates and some historical market share data could be provided to the selected Offeror.

QUESTION SET 2

What type of state specific market information does the Department accumulate by carrier with respect to:

-Individual, Small Group, Large Group, and Stop-Loss policies, contracts, members, and premiums

-Conversion and Individual Assignment policies, members, and premiums

-Covered workers and members for ERISA plans and the State Employees' Health Plan, including COBRA statistics?

DEPARTMENT RESPONSE TO QUESTION SET 2

The Department does not compile or produce specific reports on this body of data. The Department does maintain raw data in the form of limited financial and operational information on a "state page basis" as drawn from the various NAIC reporting formats. Such data could be obtained from the Department's Regulatory Services Division or purchased from the NAIC directly.

QUESTION SET 3

Are there any existing reports pertaining to inpatient hospital volume with respect to admits, bed days, charges, etc.? Sometimes this information is available at a cost. If so, can you either provide the cost information or lead us to the Department/website where this information would be available?

DEPARTMENT RESPONSE TO QUESTION SET 3

Such reports would be available for those entities which report such data to the NAIC in NAIC standard reporting formats. The Department does not create or compile such data at this time.

QUESTION SET 4

What studies, if any, has Georgia completed pertaining to the uninsured and/or uninsurable, and where can they be accessed?

DEPARTMENT RESPONSE TO QUESTION SET 4

In 2005, the Georgia General Assembly passed House Bill ("HB") 320 which created the Commission on the Georgia Health Insurance Risk Pool. HB 320 directed the Commission to conduct a feasibility study and provide recommendations regarding the establishment of the Georgia Health Insurance Risk Pool as an acceptable alternative mechanism as contemplated by § 2741 of the Public Health Service Act.[1] While the Commission did issue one "initial" report, the report did not include actuarial data or conclusions. (Incidentally, instead of a traditional high-risk pool, the Commission recommended the creation of an assignment pool mechanism that would be administered by a Georgia Assignment Pool Underwriting Authority.) Nevertheless, the Department can provide a copy of the Commission's report to the selected Offeror.

[1] 42 U.S.C. 300gg-44.