



December 19, 2018

Internal Revenue Service
United States Department of the Treasury
1111 Constitution Avenue NW
Washington, DC 20224

Re: REG-136724-17

To Whom It May Concern:

The following comments on the proposed regulation “Health Reimbursement Arrangements and Other Account-Based Group Health Plans,” published October 29, 2018, are submitted on behalf of the members of the National

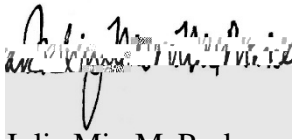
short-term, limited duration plan. This would leave higher-risk individuals in the small group market, potentially destabilizing the market if enough small employers in the state make this choice.

While employees may benefit from the flexibility of an HRA to purchase excepted benefit coverage, such as dental or vision coverage, STLDI is much more similar in the type of benefits covered to comprehensive health coverage and thus is more likely to be substituted for comprehensive coverage. STLDI is not included in the definition of excepted benefits in statute or at 45 CFR 148.220 and serves a very different purpose than excepted benefits.

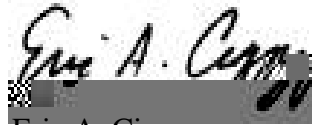
With regard to Special Enrollment Periods (SEPs), we support providing an SEP to individuals newly provided an HRA, including a QSEHRA. We further support making the SEP available on a recurring basis to individuals whose HRA operates on a non-calendar year schedule. This would offer convenience for employees and employers who choose to begin their HRA plan year on a date other than January 1.

Thank you for this opportunity to comment. As state regulators continue to review the Departments' regulations and policies and their impact on market competition, premiums, and consumer protections, we will continue to provide comments. We are available to discuss these or other issues as the regulation is finalized.

Sincerely,



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