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**From:** Center for Consumer Information & Insurance Oversight (CCIIO), Centers for Medicare & Medicaid Services (CMS)

**Title:** Insurance Standards Bulletin Series -- INFORMATION

**Subject:** CCIIO Sub-Regulatory Guidance: Timing of Submission and Posting of Rate Filing Justifications for the 2015 Filing Year for Single Risk Pool Compliant Coverage Effective on or after January 1, 2016

**I. Purpose**

This Bulletin provides guidance on the timing of submission and posting of information about rate increases as required by section 2794 of the Public Health Service Act (PHS Act) and regulations at 45 CFR Part 154. Specifically, this Bulletin provides guidance on the timing for health insurance issuers to submit Rate Filing Justifications for proposed rate increases in the individual and small group markets. It also provides guidance on the timing for states with an effective rate review program to provide public access to information regarding proposed rate increases that are subject to review and final rate increases. The timelines specified in this Bulletin apply to rates filed in 2015 (2015 filing year) for single risk pool compliant coverage (including both qualified health plans (QHPs) and non-QHPs) effective on or after January 1, 2016.

**II. Background**

On February 27, 2015, the final rule, “Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2016,” was published in the Federal Register (80 FR 10750). The final rule, in relevant part, amends the regulations regarding rate increase disclosure and review at 45 CFR Part 154.

Under the final rule, for rate increases for coverage effective on or after January 1, 2016, a health insurance issuer must submit to CMS and the applicable state a Rate Filing Justification for all rate increases by the earlier of the following: (1) the date by which the state requires that a proposed rate increase be filed with the state; or (2) the date specified by the Secretary of Health and Human Services (the Secretary) in guidance. See 45 CFR § 154.220(b). This submission

deadline is a uniform deadline applicable to both QHPs and non-QHPs in the individual and small group markets for non-grandfathered single risk pool compliant coverage.<sup>1</sup>

The final rule also requires a state with an effective rate review program to provide, for proposed rate increases subject to review, access from its website to at least the information contained in Parts I, II, and III of the Rate Filing Justification that CMS makes available on its website (or provide CMS's web address for such information), and have a mechanism for receiving public comments on those proposed rate increases. The state must post such information on its website (or provide CMS's web address for such information) no later than the date specified by the Secretary in guidance. See 45 CFR § 154.301(b)(1)(i).

Further, the final rule requires a state with an effective rate review program to provide, for all final rate increases (including those not subject to review), access from its website to at least the information contained in Parts I, II, and III of the Rate Filing Justification that CMS makes available on its website (or provide CMS's web address for such information). The state must post such information on its website (or provide CMS's web address for such information) no later than the first day of the annual open enrollment period in the individual market for the applicable plan year. See 45 CFR § 154.301(b)(1)(ii).

States must ensure that the information they release to the public is made available at a uniform time for all proposed and final rate increases for single risk pool compliant coverage, as applicable, in the relevant market segment (including QHPs and non-QHPs) and without regard to whether coverage is offered through or outside of an Exchange. See 45 CFR § 154.301(b)(3).

States have flexibility to make additional information available to the public as permitted under applicable state law and regulation. States also have flexibility to establish earlier timeframes for public disclosure of information on rate increases and the justification for such increases, including establishing varying deadlines for the individual and small group markets, as long as the public disclosure for single risk pool compliant coverage occurs at a uniform time regardless of whether the coverage is offered through or outside of an Exchange for both QHPs and non-QHPs. If a state intends to make information about proposed or final rate increases available to the public prior to the date specified by the Secretary, the state must notify CMS in writing, no later than 30 days prior to the date it intends to make the information public, of its intent to do so and the date it intends to make the information public. See 45 CFR § 154.301(b)(2).

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<sup>1</sup> Section 2794(b)(2)(A) of the PHS Act requires the Secretary, in conjunction with the states, to monitor premium increases of health insurance coverage offered through an Exchange and outside of an Exchange beginning with plan years beginning in 2014. To enable the Secretary to carry out this new monitoring function and streamline data collection for programs beginning in 2014, the rate review regulations at 45 CFR 154.215 were amended to require issuers to report information about all proposed rate increases, not just those above the review threshold. Patient Protection and Affordable Care Act; Health Insurance Market Rules; Rate Review, 78 FR 13406, 13420 (February 27, 2013). The uniform submission timeline established in the HHS Notice of Benefit and Payment Parameters for 2016 builds on this monitoring function, further standardizing the reporting process and assisting states and CMS in evaluating compliance with the single risk pool, actuarial value, essential health benefits, and other applicable market reforms.

This Bulletin constitutes guidance specified by the Secretary for purposes of establishing the uniform submission deadline under 45 CFR § 154.220(b), and for purposes of establishing the uniform posting deadline under 45 CFR § 154.301(b)(1)(i). It also identifies the CMS web addresses to be used by states with an effective rate review program that elect to provide public access from their website via link to the rate information made available on the CMS website. The accompanying chart provides further information on key dates for issuers and states, including the timeline for submission and posting of proposed and final rates and relevant dates related to the premium stabilization programs.

### **III. Uniform Rate Review Timeline**

For the 2015 filing year for coverage effective on or after January 1, 2016—

- **Uniform submission deadline:** The uniform submission deadline for a health insurance issuer to submit the Rate Filing Justification to CMS and the applicable state for single risk pool compliant coverage (including both QHPs and non-QHPs) is May 15, 2015, or an earlier date specified by the applicable state authority.
- **Uniform posting deadline:** The uniform posting deadline for a state with an effective rate review program to post on the state's website at least the information contained in Parts I, II, and III of the Rate Filing Justification that CMS makes available on its website (or provide CMS's web address for such information) for proposed rate increases that are subject to review for single risk pool compliant coverage (including both QHPs and non-QHPs) is no later than the 10th business day after the uniform submission deadline for all single risk pool rate filings in the relevant market segment.<sup>2</sup>
- **CMS's web address:** The web addresses that should be provided by states with an effective rate review program that elect to provide public access via link to the rate information made available on the CMS website are: <https://ratereview.healthcare.gov/> and [www.cms.gov/CCIIO/Resources/Data-Resources/ratereview.html](http://www.cms.gov/CCIIO/Resources/Data-Resources/ratereview.html).

### **IV. How to Notify CMS of Earlier Posting Timeframes**

Pursuant to 45 CFR § 154.301(b)(2), if a state intends to release information about proposed or final rate increases on a timeframe earlier than specified in this Bulletin, the state must notify CMS in writing at least 30 days prior to making the information public. The state should notify CMS by sending an e-mail to [ratereview@cms.hhs.gov](mailto:ratereview@cms.hhs.gov). The e-mail should indicate the state's intent to establish earlier posting timeframes and include the date(s) the state intends to make the information public for its individual and small group markets.

#### **Where to get more information:**

If you have questions about this Bulletin, please contact CCIIO at [ratereview@cms.hhs.gov](mailto:ratereview@cms.hhs.gov).

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<sup>2</sup> The 10th business day after the uniform submission deadline of May 15, 2015 is June 1, 2015.