



Rate Review Student Health Plans FAQ

August 12, 2015

Q: Are issuers of non-grandfathered Student Health Insurance Plans (SHPs) subject to federal rate review requirements?

A: Yes, SHPs are subject to the federal rate review requirements codified under 45 CFR Part 154. While CMS issued guidance on February 25, 2013¹ indicating that SHPs would not have to submit rate increases using the Unified Rate Review Template (URRT), since it did not accommodate non-single risk pool plans, CMS subsequently developed a process to accommodate SHPs in November 2013, and SHPs have been required to submit information on rate increases in accordance with the federal rate review requirements using that process.

Specifically, in November 2013, CMS reinstated the Rate Review Justification (RRJ) module of the Health Insurance Oversight System (HIOS) that had been used to collect the Preliminary Justification for rate increases of 10% or greater prior to the January 1, 2014 applicability date of the single risk pool provision under 45 CFR § 156.80. The related Paperwork Reduction Act (PRA) package was renewed on April 4, 2014, reiterating that the RRJ system and templates must be used for non-single risk pool rate filings that are subject to review.²

CMS also issued guidance in February 2015 providing form and rate filing instructions to issuers in the five states where CMS has the responsibility to enforce provisions of title XXVII of the Public Health Service Act (PHS Act).^{3,4} This document reminded issuers of the obligation to submit rate filings for SHP coverage in these five states for: (a) rate increases of 10 percent or more into the HIOS RRJ Module, and (b) rate increases of less than 10 percent into the HIOS Document Collection Form Filing Module.

On April 3, 2015, CMS released revised RRJ rate filing instructions for issuers proposing a rate increase of 10 percent or greater (or above a state-specific threshold) for a SHP to submit a Preliminary Justification in the HIOS RRJ module. In states with filing requirements for rate increases for SHPs, the issuer must submit the Preliminary Justification to CMS on the same day that the issuer submits the rate filing to the applicable state. In states without filing requirements for rate increases for SHPs, the issuer must submit

¹ See the Sub-Regulatory Guidance Regarding Age Curves, Geographical Rating Areas and State Reporting <http://www.cms.gov/CCIIO/Resources/Files/Downloads/market-reforms-guidance-2-25-2013.pdf>

² <http://www.reginfo.gov/public/do/PRAOMBHistory?ombControlNumber=0938-1141> (OMB Control Number 0938-1141).

³ See the 2015 Form Filing Instructions and Health Insurance Oversight System (HIOS) Technical Assistance guidance at: http://www.cms.gov/CCIIO/Resources/Training-Resources/Downloads/Form-Filing_Issuer_Instruction_Notice_Plan_Year_2016_022315.pdf

⁴ Health insurance issuers in Alabama, Missouri, Oklahoma, Texas and Wyoming are currently required to submit form and rate filings for review with CMS for all non-grandfathered plans in either the individual or small group markets. This includes but is not limited to student health plan filings with rate increases of any size.

the Preliminary Justification to CMS prior to implementing the rate increase. In addition, CMS encourages issuers to submit the Preliminary Justification for SHPs to CMS in the states where CMS is rate reviewer at least 60 days in advance of implementation of the rate increase so that CMS can complete its review and provide issuers with its review determination prior to the effective date of the rate increase.

Because some issuers have expressed confusion regarding the filing requirements for SHPs, CMS is extending the deadline for submission of the Preliminary Justification to CMS for SHPs with a rate increase effective on or before December 31, 2015 as follows:

Rate Increase Effective on or before December 31, 2015	Rate Increase Effective on or after January 1, 2016
<p>Rate Increases of $\geq 10\%$: Submit SHP Preliminary Justifications to CMS by the <u>later</u> of:</p> <ul style="list-style-type: none"> • The date that the issuer files the Preliminary Justification with the state • A date prior to implementation of the rate increase • October 1, 2015 <p>Rate Increases of $< 10\%$: Not required for issuers in states with Effective Rate Review (ERR) programs. In states without ERR programs, submit Preliminary Justifications for all SHPs with rate increases (regardless of the size of the rate increase) to CMS by the <u>later</u> of:</p> <ul style="list-style-type: none"> • The date that the issuer files the Preliminary Justification with the state • A date prior to implementation of the rate increase • October 1, 2015 	<p>Rate Increases of $\geq 10\%$: Submit SHP Preliminary Justifications to CMS by the <u>earlier</u> of:</p> <ul style="list-style-type: none"> • The date that the issuer files the Preliminary Justification with the state • A date prior to implementation of the rate increase⁵ <p>Rate Increases of $< 10\%$: Not required for issuers in states with Effective Rate Review (ERR) programs. In states without ERR programs, submit Preliminary Justifications for all SHPs with rate increases (regardless of the size of the increase) to CMS by the <u>earlier</u> of:</p> <ul style="list-style-type: none"> • The date that the issuer files the Preliminary Justification with the state • A date prior to implementation of the rate increase

Any questions regarding this guidance can be submitted to ratereview@cms.hhs.gov.

⁵ In the five states where CMS is responsible for reviewing the rate increases, CMS encourages issuers to submit the Preliminary Justification for SHPs at least 60 days in advance of implementation of the rate increase so that CMS can complete its review and provide issuers with its review determination prior to the effective date of the rate increase.