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**Date:** April 30, 2013  
**From:** Teresa Miller, Acting Director, Office of Oversight  
**Title:** Insurance Standards Bulletin Series--INFORMATION  
**Subject:** Model Language for Individual Market Renewal Notices

Issuers of non-grandfathered health insurance coverage in the individual market are prohibited from using marketing practices that have the effect of discouraging the enrollment of persons with significant health needs in health insurance coverage. 45 C.F.R. § 147.104(e). Similarly, issuers of qualified health plans (QHPs) are prohibited from using marketing practices that have the effect of discouraging the enrollment of persons with significant health needs in QHPs. Section 1311(c)(1)(A) of the Affordable Care Act; 45 C.F.R. § 156.225(b). An issuer that provides renewal notices to existing enrollees in a way that has the effect of discouraging certain current enrollees from purchasing particular products (e.g., qualified health plans in Marketplaces) could violate the requirements of these provisions.

This guidance provides model language that issuers can use to provide notice to their existing customers about the new coverage options in the individual market, including QHPs, premium tax credits, and cost sharing reductions through Health Insurance Marketplaces, beginning January 1, 2014. The Centers for Medicare & Medicaid Services (CMS) will consider the use of this language acceptable under the requirements set forth in 45 C.F.R. §§ 147.104(e) and 156.225(b), provided that it is provided uniformly to all applicable enrollees.<sup>1</sup>

You and your family may soon have new options for health care coverage. Starting on October 1, 2013, the Health Insurance Marketplace will offer a new alternative for purchasing health insurance plans. You can preview your premium, deductibles, and co-payment costs before you make a decision to enroll in a plan, and determine whether you qualify for assistance to reduce these costs.

You can continue to purchase coverage from us in the Marketplace. You may find your premiums are lower due to a new kind of tax credit in the Marketplace. You might also qualify for plans with reduced deductibles and co-payments. Even though help with premiums, deductibles, and co-payments isn't available outside the Marketplace, the health

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<sup>1</sup> CMS makes no representation regarding whether this language complies with any applicable state or local authorities. While CMS has interpreted applicable Federal law in this manner, for purposes of requirements imposed under the Public Health Service Act (including the marketing restrictions implemented in 45 C.F.R. § 147.104(e)), states are expected to be the primary enforcers of such requirements.

care law also guarantees that you can choose a new plan outside the Marketplace even if you have a preexisting condition.

Find out more at [www.healthcare.gov](http://www.healthcare.gov).

Issuers may wish to provide this notice before October 1, 2013, either: (1) with non-grandfathered individual policy renewal notices, or (2) as a stand-alone notice sent to all existing non-grandfathered individual market customers.

CMS notes that providing this notice does not preclude an issuer from providing additional information concerning the issuer's QHPs, a web link to the issuer's direct enrollment website, or its other products.