

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
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Title: Insurance Standards Bulletin Series -- INFORMATION

Subject: Bulletin: Timing of Submission and Posting of Rate Filing Justifications for the 2016 Filing Year for Single Risk Pool Coverage¹

I. Purpose

The Centers for Medicare & Medicaid Services (CMS) is releasing this bulletin on the uniform timeline for submission and posting of information about rate filings for single risk pool coverage, consistent with the amendments to the rate review regulations at 45 CFR Part 154 in the HHS Notice of Benefit and Payment Parameters for 2017 Final Rule². Specifically, this bulletin establishes the uniform deadline under 45 CFR 154.220(b) for health insurance issuers to submit the Rate Filing Justification for proposed rates for single risk pool coverage in the individual and small group markets. It also establishes the uniform posting deadline under 45 CFR 154.301(b)(1)(i) for a State with an Effective Rate Review Program to provide public access to information regarding proposed rate increases that are subject to review.

The bulletin also identifies the uniform deadline for a State with an Effective Rate Review Program to post final rate increases (including those not subject to review) and the CMS web address to be used by States with an Effective Rate Review Program that elect to provide public access from their website through a link to the CMS website. The timelines specified below apply to the rate filings issuers will submit in 2016 (2016 filing year) for single risk pool coverage (including both qualified health plans (QHPs) and non-QHPs) with plan or policy years beginning on or after January 1, 2017.

In addition, 45 CFR 154.301(b)(3) requires that States with an Effective Rate Review Program post the required information on proposed rate increases subject to review and final rate increases (including those not subject to review) at a uniform time and not on a rolling basis. This requirement applies to rate increase information for single risk pool coverage, including both

¹ The term “single risk pool coverage” is used to describe non-grandfathered health insurance coverage in the individual or small group (or merged) market that is subject to all of the single risk pool provisions at 45 CFR 156.80 and is required to file rate information using the Unified Rate Review Template.

² (February 29, 2016; <https://www.federalregister.gov/public-inspection>).

QHP and non-QHPs, both inside and outside of Marketplaces. The timelines below reflect this policy.

Some States that operate a State-based Marketplace faced significant challenges in meeting the timeline specified for the 2015 filing year, because of State legislative or regulatory requirements and the timing of negotiations with issuers. Accordingly, we issued a bulletin on December 23, 2015, to solicit public comments regarding a timeline for the 2016 filing year. In response to the comments received, we are providing States with Effective Rate Review Programs additional flexibility by specifying a later deadline for rate filing submission and for posting of proposed rate increases subject to review.

II. Uniform Rate Review Timeline

For the 2016 filing year for single risk pool coverage effective on or after January 1, 2017---

Uniform submission deadline

45 CFR 154.220(b) requires issuers to submit rate information by the earlier of: (a) the State's deadline or (b) the date specified by HHS in guidance.

- Issuers in a State with an Effective Rate Review Program³ must submit proposed rate filings for single risk pool coverage (for both QHPs and non-QHPs) on a date set by the State, so long as the date is not later than July 15, 2016.
- Issuers in a State without an Effective Rate Review Program⁴ must also submit proposed rate filings for single risk pool coverage (for both QHPs and non-QHPs) on a date set by the State, so long as the date is not later than May 11, 2016.

We remind issuers that these deadlines, in addition to rate increases, also apply to single risk pool coverage that experiences no rate changes, rate decreases, and rates for new single risk pool coverage. We recommend that States with Effective Rate Review Programs that are served by the HealthCare.gov platform set a date no later than May 11, 2016 to align with the Federally-facilitated Marketplace QHP filing deadlines; however, we understand some States may face challenges in doing so.

Issuers submitting QHP applications to participate in Marketplaces served by the Health Care.gov platform are required to submit their QHP Rates Table Template by May 11, 2016 even if their Unified Rate Review Template (URRT) is not due until a later date. The QHP Rates Table Template is required in order to comply with certification deadlines specified in the 2017 Letter to Issuers in the Federally-facilitated Marketplaces. If a State served by the HealthCare.gov platform chooses a submission deadline earlier than July 15, 2016 but after May

³See 45 CFR 154.301 for a list of criteria that CMS considers when evaluating whether a State has an Effective Rate Review Program

⁴ For plan year 2017 health insurance issuers in Alabama, Missouri, Oklahoma, Texas, and Wyoming are required to submit rate filings for review by CMS to determine reasonableness.

11, 2016 then QHP issuers in those States will need to submit their QHP Rates Table Template by May 11, 2016 and their URRT by the date established by the State. We note that there are multiple opportunities during the QHP certification process for the issuer to update, correct or change the QHP Rates Table Template (as may be necessary).

Uniform posting deadline

Proposed Rate Increases Subject to Review

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' web address for such information) for proposed rate increases that are subject to review for single risk pool coverage (including both QHPs and non-QHPs) is no later than August 1, 2016 for all single risk pool rate filings in the relevant market segment⁵. Proposed rate increases must be made available to the public at a uniform time, and not on a rolling basis, including publication of proposed rate increases on a State's website, in SERFF (System for Electronic Rate and Form Filing), and/or issued through press release. We encourage States with an Effective Rate Review Program to post at an earlier date if possible, to allow for robust public comments on proposed rate increases subject to review.

Final Rate Increases

A State with an Effective Rate Review Program must post 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' web address for such information) for all final rate increases (including those not subject to review) no later than the first day of Open Enrollment, November 1, 2016⁶. Final rate increases for single risk pool coverage (including both QHPs and non-QHPs) must be made available to the public at a uniform time⁷, including publication of final rate increases on a State's website, in SERFF (System for Electronic Rate and Form Filing), and/or issued through press release. The requirement to uniformly post final rate increases (including those not subject to review) does not prevent a State from reviewing and finalizing rates for QHP submissions before the prescribed deadline, August 23, 2016⁸. This guidance affirms that the State must not post final rate increases until all final rate increases can be posted uniformly for the entire single risk pool.

⁵ 45 CFR 154.301(b)(1)(i)

⁶ 45 CFR 154.301(b)(1)(ii)

⁷ 45 CFR 154.301(b)(3)

⁸ The FFM deadline for reviewing and finalizing rate filings that contain QHPs seeking to participate in Marketplaces served by the HealthCare.gov platform is August 23, 2016. See the 2017 Letter to Issuers in the Federally-facilitated Marketplaces (February 29, 2016).

CMS Web Address

The web address that should be provided by States with Effective Rate Review Programs that elect to provide public access via link to the rate information made available on the CMS web site is <https://ratereview.healthcare.gov>.

III. 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 rate increases subject to review or final rate increases (including those not subject to review) on a timeframe earlier than outlined in this Bulletin, the State must notify CMS in writing at least 30 days prior to making the information public by sending an email to ratereview@cms.hhs.gov. The e-mail should indicate the State's intent to establish earlier posting deadlines and include the date(s) the State intends to make the information public for single risk pool coverage in its individual and small group markets.

IV. Where to get more information

If you have questions about this Bulletin please contact CCIIO at ratereview@cms.hhs.gov.