

Effective Rate Review Determination and Status Questions

State Authority to Review Rates and State Definitions

1. What specific authority does the state have to collect and review issuer's data and documentation in connection with rate increases? Please provide citations to the relevant statutes, regulations, or other sources of authority.
2. Does the state define or accept the federal definitions of individual and small group markets as outlined in 45 C.F.R. § 154.102, which provide that coverage that would be regulated as individual or small group market coverage (as defined in section 2791(e)(1)(A) and 2791(e)(5) of the Public Health Service Act respectively) if it were not sold through an association is subject to rate review as individual or small group market coverage?

Review of Unreasonable Rate Increases and Authority to Require Changes

3. Is the state reviewing threshold rate increases of 10% or more contained within single risk pool submissions?
4. When reviewing the rate increases described in #3, does the state incorporate Part I (Unified Rate Review Template), Part II (Consumer Justification Narrative) and Part III (Actuarial Memorandum) of the Rate Filing Justification into its review process? If not, please provide a detailed explanation and examples of what the state does collect that is at least equivalent to the aforementioned documents for review.
5. Is the state reviewing threshold rate increases of 10% or more for non-grandfathered plans that were purchased prior to 2014 and continue under the transitional policy (if applicable)?
6. When reviewing the rate increases described in #5, does the state incorporate Part I (Preliminary Justification) and Part II (Written description justifying the rate increase) of the Preliminary Justification into its review process? If not, please provide a detailed explanation and examples of what the state does collect that is at least equivalent to the aforementioned documents for review.
7. As outlined in § 154.301 please provide the standard(s) set forth in state statute, regulation, or guidance under which the state reviews and determines whether a rate increase is excessive, unjustified or unreasonable that issuers and the state can rely upon for understanding the measures and standards of the review.
8. If an issuer has an unreasonable increase determination or is determined to be out of compliance with state or federal rating rules:
 - a. Please provide a detailed explanation as to the state's authority to require or enforce a rate different than what was submitted (if any) if the rate initially submitted is determined to be excessive, unjustified or unreasonable.
 - b. Please provide a detailed explanation as to the state's authority to require a revision in the submission to come into compliance with state or federal rating or risk pool rules.

- c. Please provide a detailed explanation as to what process the state uses to require or request revision or resubmission under either of the above circumstances, and how the state ensures that CMS also receives any revisions or resubmissions where dual submission to CMS and the state is required.

Review of All Rate Increases

9. Please provide a detailed explanation of how the state conducts an examination that meets the criteria in § 154.301. Include the specific actuarial standards and methods used by state rate review staff in reviewing the rate submissions made by issuers (including, but not limited to, how the state tests issuer actuarial assumptions, data, future financial projections, and past assumptions or data for accuracy). If the state has a manual, standard operating procedures, or other supporting documentation that it uses in its review, please provide a copy.

10. Review for Compliance with Federal Requirements

- a. How does the state review rate submissions for compliance with the single risk pool rule under § 156.80 and the various federal laws and regulations that define how plans are to be developed, rated and priced (including but not limited to essential health benefits, actuarial values, risk adjustment, reinsurance, medical loss ratios and other similar laws and regulations)?
- b. How does the state review for and enforce the annual plan year, index rate, allowable premium adjustments, and other requirements for the individual market?
- c. How does the state review for and enforce the annual index rate, allowable quarterly index rate, allowable premium adjustments, and other requirements of the small group market?
- d. Does the state allow for quarterly or semi-annual index rate changes in the small group market, and, if yes, which?
- e. If the state has a merged market under federal definitions, how does that state review for and enforce that issuers selling to small employers are following the same rules as the individual portion of the market for: open enrollment, annual index rate setting and changes, annual plan years (i.e., if a plan is purchased by a small employer after January 1 or each year, it will renew effective the next January 1, in the same way that individual market plans are required to renew), and other requirements for the merged markets under federal rules?

11. When an issuer has rate increases or submissions that require the issuer to submit information to CMS, how does the state verify that the issuer is complying with dual state and federal submission requirements under various federal laws and regulations?

12. State timeframes for review:

- a. What timeframes does the state have in statute, regulation or official written guidance for the timely review of rate submissions?
- b. What is the average length of time to conduct reviews of rate submissions (in days)?
- c. What was the shortest review conducted over the past two years (in days)?
- d. What was the longest review conducted over the past two years (in days)?

13. Public availability and review of rate submissions:

- a. When a new rate submission is received by the state, does the state make the submission public on a state-supported website?
- b. If yes, when is the submission made public (e.g., immediately, within a certain number of days after receipt, after a determination is made, when a rate increase subject to review is included in the submission, etc.)?
- c. Does the state have a mechanism for receiving public comments on submitted rates either prior to determination or after determination is made (please specify which)?
- d. How does the state allow consumers to comment (e.g., by telephone, mail, email, webmail, public hearings, etc.)?

Total Rate Submissions Received and Reviewed by the State in the Previous Calendar Year

14. In the previous calendar year, how many single risk pool submissions were received and reviewed for the following markets:
 - a. Individual Market
 - b. Small Group Market
 - c. Merged Market

15. In the previous calendar year, how many non-grandfathered plan submissions were received and reviewed for plans purchased prior to January 1, 2014 and continued under the transitional policy (if applicable) for the following markets:
 - a. Individual Market
 - b. Small Group Market

16. What were the number of submissions and average rate change implemented for the following?
 - a. Single Risk Pool Individual Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
 - b. Single Risk Pool Small Group Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
 - c. Single Risk Pool Merged Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
 - d. Non-Grandfathered Transitional Individual Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
 - e. Non-Grandfathered Transitional Small Group Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases

Single Risk Pool Plans – State Actions for Rate Submissions Received and Reviewed in the Previous Calendar Year

17. How many Single Risk Pool submissions for the Individual Market were:
- a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete resubmission)
 - i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - i. Number due to state rules violations
 - ii. Number due to federal rules violations (if both, just count once as federal)
18. How many Single Risk Pool submissions for the Small Group Market were:
- a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete resubmission)
 - i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - iii. Number due to state rules violations
 - iv. Number due to federal rules violations (if both, just count once as federal)
19. How many Single Risk Pool submissions for the federally defined Merged Market were:
- a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete re-submission)
 - i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - i. Number due to state rules violations
 - ii. Number due to federal rules violations (if both, just count once as federal)

Transitional Plans – State Actions for Rate Submissions Received and Reviewed in the Previous Calendar Year

20. How many non-grandfathered transitional submissions for the Individual Market were:
- a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete re-submission)

- i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - i. Number due to state rules violations
 - ii. Number due to federal rules violations (if both, just count once as federal)
- 21. How many non-grandfathered transitional submissions for the Small Group Market were:
 - a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete resubmission)
 - i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - i. Number due to state rules violations
 - ii. Number due to federal rules violations (if both, just count once as federal)
- 22. How many non-grandfathered transitional submissions for the federally-defined Merged Market were:
 - a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete resubmission)
 - i. If rejected or disapproved, how many issuers did not resubmit?
 - ii. How many issuers did a market withdrawal?
 - e. Required to be modified due to non-compliance with state or federal rating rules
 - i. Number due to state rules violations
 - ii. Number due to federal rules violations (if both, just count once as federal)